



VOLUME I, NUMBER 1

DECEMBER 1979

EDITOR: Joan Eesley



PTT founder Nolan Bushnell (left), Chuck E. and TIM President Bob Brock (right) celebrate signing of co-development agreement.

PTT, TIM to co-develop 285 stores by 1984

PTT, Inc. has signed an agreement with Topeka Inn Management, Inc. (TIM) of Kansas, to co-develop 285 stores in 16 Central states over the next five years at an estimated cost of \$200 million. The joint announcement was made in San Francisco by Nolan K. Bushnell, PTT's Founder, and Robert L. Brock, Founder and President of TIM.

"We're excited," said Bushnell, "at the prospect of working with a group having the expertise and financial capability of TIM. They're the type of people who will be instrumental in turning this concept into a major force in America's leisure time habits. TIM's abilities in food and lodging management will add strength to our organization."

Restaurant Hospitality Magazine in its June 1979 issue listed the nation's largest lodging franchise management companies and ranked TIM as number one. States where TIM plans to open

Pizza Time Theatres include Alabama, Arkansas, Colorado, Minnesota, Georgia, Illinois, Indiana, Iowa, Kansas, Louisiana, Minnesota, Mississippi, Missouri, Nebraska, Oklahoma and Wisconsin.

The first two TIM-operated stores are already under construction in Overland Park, Kansas, and Kansas City, Missouri.

NOTE:

This is your newsletter so you're invited to help us name it. Send your ideas, with your name and store, to Joan Eesley % Corporate. Employee submitting winning name will receive \$25 cash. Deadline for entries: January 15th.



Sparks, Citrus Heights opening this month

Keeping up with the scheduled two store openings a month has Cupertino Corporate really hopping. Manufacturing has six sets of Cyberamics figures in production. Store Operations reports it just graduated a management training class, while Entertainment's Mike Hatcher is spending most of his time at the recording studio working on new numbers for Dolli, Helen, the Pizza Time Players and Artie Antlers. (Artie who?)

Even as Field Support is arranging to buy and ship dozens of new electronic and arcade games, Real Estate is signing leases for properties to open next fall. Marketing is busily planning promotions to generate new business for existing stores and Franchising has the first of its licensed stores opening.

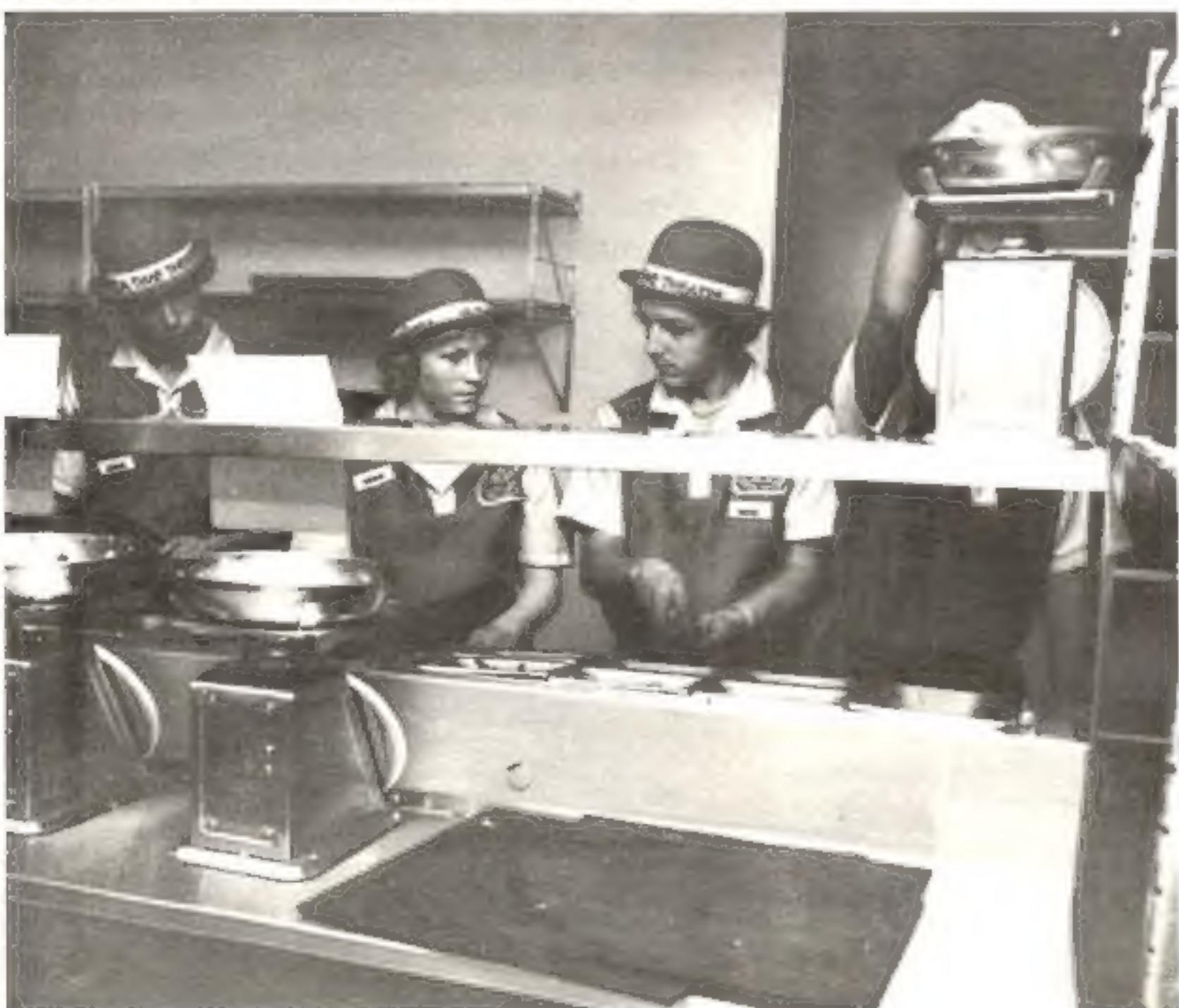
Sparks, Nevada, PTT's first franchise, opens December 20th, according to Owner-Manager Gary Harwin. "We've set our Grand Opening Party for January 7th," he said. Incidentally, that store will be unlike any other Nevada fun-and-games parlor. It won't have a single slot machine!

Citrus Heights in North Sacramento, companion store to South Sacramento's Florin Mall, opens the same day as Sparks. Manager Dave Wright says proudly his store will be the first in Northern California to have a Helen Henny Cabaret and to use the new animation configuration with all the "critters" on one wall.

That two-a-month rate for new stores will increase to six come summer, which means plenty of chances for advancement if you're considering a career in the food service industry. During 1980 PTT plans to open a total of 38 new stores, including the next four in Covina, Fullerton, La Habra and Sun Valley.



OCTOBER WAS REALLY A BUSY MONTH WITH TWO GRAND OPENINGS. Huntington Beach, converted from a former supermarket, is the size of Kooser. Stockton, built from the walls out, is in Venetian Square, a new shopping complex. **TOP TO BOTTOM:** Six bumper cars, which run on batteries, are proving popular with Huntington Beach's younger set. Kids tootle around a 12 x 18 foot concrete pad . . . Things weren't as bad as they seem in this photo at Stockton's Opening. That's (left to right) Assistant Suzanne Ammirata, Mgr. Mike Sullivan, Assistant John Eliasasen and youngster in crawl, frightened by either Mike or Munch . . . Helen Henny, our outrageous rock singer, stars in her own Huntington Beach lounge. Ms. Henny was awarded the Golden Drumstick Award from the Poultrymen's Association for having "the thighs a thousand roosters want to tenderize." . . . What does a Sacramento Assistant do on his day off? Scott Nelson (right) and friend drove to Stockton's Opening, where they monopolized the football game . . . This was the scene backstage as the Huntington Beach kitchen crew geared up to make 100 medium pizzas for the Opening.





First management grads

They're smiling because they just completed PTT's Management Training Program, under the supervision of Training Director Bob Coltrane. Left to right in photo above: Gary Harwin, Owner-Manager for Sparks; Lorraine Plummer, Florin Assistant; Ben Kline, Winchester Assistant; Jean Cullen, Sacramento Assistant; Jack Schmeer, Kooser Assistant and Bob Coltrane.

Have you heard about . . .

- **OUR CLOTH COIN SACKS?** They're great stocking stuffers and a good value (28 tokens for \$5).
- **CHUCK E.'S TV SPOT?** An animated 30-second commercial for birthday parties is running on various local stations. Watch for it in your area.
- **THAT EDITOR OF A MAJOR DAILY PAPER** who pays her sons their allowance in PTT tokens? Says she keeps a supply around home to reward them for doing chores, too.
- **BANK OF AMERICA GIVING PTT \$2 MILLION?** Loan is for expansion in new areas. Also, first PTT franchises were announced for Sparks, Nevada; the entire state of Oregon; Arizona counties of Maricopa and Pima and California counties of San Diego, Kern and Fresno.
- **CHUCK E. IN THE COMICS?** That rascally rodent and the Pizza Time Players are featured in a new 12-page comic book, available with Skee-Ball tickets, a newspaper coupon or for cash.

Holiday hours

By now you've probably heard all stores will close at 5 pm Christmas Day and New Year's Eve, remaining closed Christmas Day and reopening New Year's Day about 5. Corporate will be closed from December 24th through January 1st.



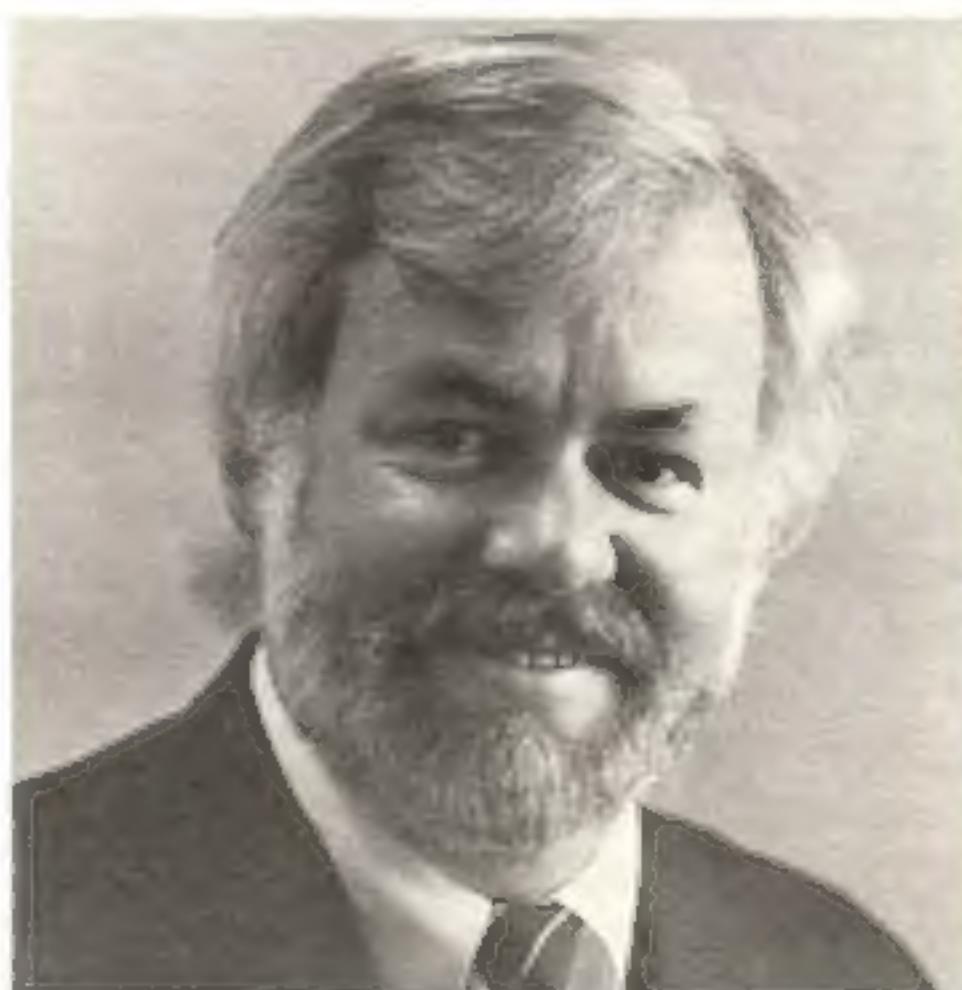
Who's he?

Meet PTT President Joseph F. Keenan (below). Want to get his attention? Ask Joe about his World War II Stearman biplane, which he flies around the country for air shows. Formerly Chairman of the Board of ATARI, Keenan founded Key Games, Santa Clara, which merged with ATARI in 1974. Prior to starting Key, Joe worked for IBM and Applied Logic. A resident of Los Gatos, he holds a B.S. degree in accounting from La Salle College, Pennsylvania. He and his wife, Patricia, have four children. Behind the controls of his plane, the bearded Keenan looks like the original Red Baron.

KEHR research study

A commissioned survey at Kooser and Winchester turned up some interesting statistics. For example, when the token boxes are emptied, most games show a ratio of one quarter to every six tokens. But not Dolli! That charmer produces three quarters for every six tokens. Same is true of Helen Henny in Huntington Beach. One explanation: the ladies are mostly activated by adults, who've given their tokens to the children and resort to playing with coins from their purse or pocket.

Lehr Research has just completed 200 in-depth interviews in Stockton and Huntington Beach to give a better demographic profile of our customers: who they are, where they heard about us, how far they've traveled, how often they visit. More in the next newsletter, including which games are the most popular.



Joseph F. Keenan has been named president of Pizza Time Theatre, Cupertino.



Here's something to ponder — 25 percent of some stores' total games revenue come from the bill changer. Since that machine takes \$1 and \$5 greenbacks, that means a good percentage of the customers are spending cash to play games.

If you've worked the Prep Line, this next statistic shouldn't surprise you. To date we've served 400,000 pizzas and, sometime in spring 1980, one of you will take an order for the one millionth!

A message from Nolan

Too often when I visit the stores, there isn't time to stop and personally meet each of you, so I'm taking this opportunity to express my appreciation for what you've done to make Pizza Time a reality.

We've come a long way in two years from that first store where Rick Rat was the emcee, the staff wore t-shirts and vests, Gene Landrum was manager and I had a dream that needed testing.

We start the new decade with eight stores and dozens more in various stages of planning. Pizza Time Theatre is already being hailed nationally, even internationally, as an exciting new concept in family entertainment and we're proud to have you be a part of our glorious adventure.

Pizza Time Theatre is more than a place, more than the animals, more than even our customers because it's also all 450 of you, doing a myriad of different jobs, behind the scenes, often without fanfare or recognition. My sincere thanks for a job well-done. I hope 1980 will be a prosperous and healthy year for each of you and yours.



STARRING THE STORES



Winchester

Store hosted 30 members of the Northern California Industrial Recreation Council, who were being introduced to the new Chuck E. Cheese Fan Club program. Council members plan leisure activities and employee benefits for some 90 Santa Clara Valley corporations . . . Winchester and Kooser went together on staffing the annual Los Gatos Children's Christmas Parade. This was the second time Chuck E. and friends participated, only this year they rode in style in small electric cars . . . Does the rat have relatives Down Under? Must be. The Australian Broadcasting Commission filmed at Winchester for its program "Four Corners," which we hear was a great success with the Aussies . . . Laurie Parisie keeps explaining to customers her bandaged hand was the result of burning it in a kitchen accident at home, not from popping pizzas into the oven.



Kooser

The store hosted 350 young football players to mark the end of San Jose's PAL season. PTT will participate in PAL's annual membership drive to raise \$60,000 for sports activities . . . Mike Berglund is planning to join the March 9th March of Dimes Walk-A-Thon in San Jose. Last year he covered the entire 20-mile course dressed as Jasper and he's challenging Winchester to send a representative this year. Anyone interested? . . . San Franciscan Mike Bailey celebrated his 21st birthday at Kooser with a busload of family and friends. Mike's mom bought the gala Dolli Dimples Party we donated to the KQED Auction. Highlight of the evening was a personalized greeting from the ponderous pachyderm herself. . . Kooser plays



Winchester in football December 27th with the winner to play Corporate in the first annual Chuck E. Bowl. . .

Kooser sponsored 10 performances at three elementary schools by the Phantasy Company, a troupe of five talented young adults who sing, dance and act. Of course, Chuck E. and Players appeared at the conclusion to hand out Chuck E. Bucks (what else?) Redeemed coupons drew an unheard-of 15 percent response. Same group did 12 shows for Stockton schools, which were equally well received by teachers and students.



Concord

Santa arrived at the Willows in Pizza Time's London taxi, then was escorted to his proverbial throne by Chuck E., Jasper, Munch and Pasqually . . . Is it true Manager Rob Schmidt painted his power boat yellow and dubbed it the "Cheez Whizzer?" . . . PTT joined other Willows merchants in a month-long promotion to raise funds for the U.S. Olympic Team . . . Welcome back, Dave Phipps, who was off the job a month recovering from surgery . . . A broken foot hasn't hampered Loren Staggs. He's whipping around the kitchen on his walking cast.



Huntington Beach

Store hosted 20 British editors of fast food and restaurant publications, who were being shown the sights of Southern California by *Institutions Magazine's* Barbara Dawson. Seems they'd heard about Chuck E. and asked for the tour so our fame spreads . . . Tours of elementary school kids are very big at our store, especially Cub Scout Packs and Girl Scout Troups. Originally, we would select someone from each group to make the pizza, but that created too many hard feelings, so now whoever is leading the tour does the honors.



South Sacramento

When Florin Center changed its name to Florin Mall, there was a month-long celebration. Not only did we display the PTT taxi on the Mall, we also donated a \$1,000 Dolli Dimples Party as a prize for the drawing. Berenice Hing of Sacramento won and promptly brought in 105 of her closest friends to celebrate . . . During December there's a competition in all the stores to sell gift certificates with the winner in each store getting two tickets to Marriott's Great America. Manager of store with best General Store sales will win a trip to Hyatt Lake Tahoe, so the competition is heating up

. . . District Manager Roger Berke bet the staff they couldn't sell more than 480 pizzas in one day with free game tokens for everyone if they set a new record. By 9 pm on a recent Saturday night, even staffers who weren't scheduled to work returned to the store to await the computer readout. At closing it showed 490, which Berke insists was not the result of employees pooling their savings to purchase the last ten . . . Concord and Florin are locked in a battle to become the chain's Number One Store for four weeks straight . . . Moving from a complete house in San Jose to a two-bedroom apartment in Sacramento was a challenge for new Manager Don Rousch. For a bachelor, he sure has a lot of furniture.



Stockton

There was an impromptu 17th Birthday Party last week for Game Room's Larry Davenport. Held in the employee's break area, it was really fun for everyone . . . Manager Mike Sullivan finally moved from Sacramento to Stockton, lock, stock and barrel, as well as fish, plants and dog. His Golden Retriever Chivas Regal is a show dog whose father was named Boozer! . . . Stockton's conducting a Christmas Card Writing Contest. Boys and girls send Chuck E. a card and just before Christmas three winners in different age groups will be drawn to win dinner for their Dad or Mom at PTT.

We're looking for someone from each store to be a reporter, to let us know what's going on. The job doesn't pay anything, but you will see your name in print (and hear all the gossip). Sound like fun? Contact your manager.

(THE PIZZA TIMES) UNTITLED - DEC 1979
(Volume 1, Number 1)

Date of Origin: 1979

Archived: 6-12-12

Submission by Kathy H.

Version 1.0

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The Pizza Times

Volume One, Issue One — May 1981

PTT GOES PUBLIC



Stock Sold Out

After months of anticipation in the financial community, Chuck E. Cheese carried off his first public offering of Pizza Time Theatre stock smoothly and profitably.

Although only 818,282 shares were planned for sale at between \$10 and \$12 a share, demand for stock was so great that the price was set at \$15 a share by the underwriters on the eve of the sale, and the total was increased to 1,063,282 shares. Because of the strong interest in the stock, however, it began publicly trading on April 16 between \$22 and \$24 a share in the over-the-counter market. By the end of the day, the stock was quoted at 24½ bid after 467,000 shares changed hands.

Pizza Time netted about \$12.5 million from the sale after expenses and fees. The capital will be used to develop new company centers and to repay bank debt.

President Joseph F. Keenan praised the underwriters who handled the offering—L. F. Rothschild, Unterberg & Towbin of New York, and Robertson, Colman, Stephens & Woodman of San Francisco.

The public offering increased the amount of Pizza Time stock outstanding to a total of 4,650,808 shares. Pizza Time Theatre will be listed over-the-counter under the appropriate symbol of "CHKY."

Thank You from Joe

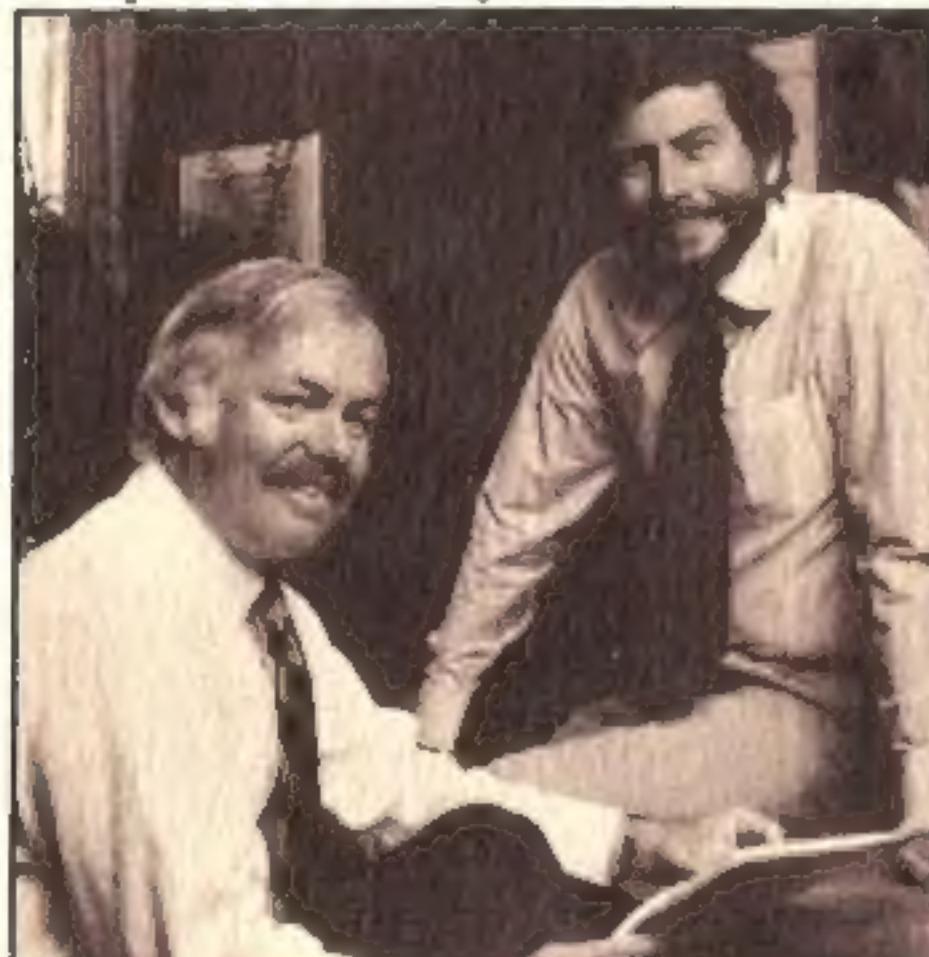
In an interview shortly after the initial public offering of Pizza Time stock, President Joe Keenan expressed the following:

"To all our employees I would like to say thank you for your efforts that made this possible. Also, I would like to say that the people who have now invested in our company are expressing their confidence and hopes for our future. Let's not disappoint them. Let's all work toward making Chuck E. Cheese's not only the first but the best and largest family dining/entertainment experience in the world."

Pizza Time Announces Earnings

Pizza Time Theatre, Inc. announced first quarter 1981 revenues of \$5,355,000 and net income of \$125,000 (\$.04 per share) as compared with revenues of \$1,672,000 and net income of \$77,800 (\$.03 per share) for the first quarter of 1980.

Revenues from Company centers were \$4,732,000 in the first quarter of 1981, a 194% increase over the comparable quarter of the prior year. Revenues from franchise operations were \$603,000 a 1038% increase over the comparable 1980 quarter.



President Joseph F. Keenan and Chairman of the Board Nolan K. Bushnell.

J. F. Keenan, President of the Company stated that, "The increase in revenue from Company centers was principally due to a greater number of centers in operation and increased revenue per center. Franchise revenues increased primarily due to increased royalties from franchised centers. Net income increased approximately 60% over the first quarter of 1980. Earnings per share did not increase at the same rate as revenue due to a greater average number of shares outstanding during the first quarter of 1981, which resulted primarily from a private placement in October and November 1980." Earnings per share for the first quarter of 1981 do not include 900,000 shares of common stock issued by the company in its initial public offering on April 16, 1981.

Mr. Keenan pointed out that revenues for the first quarter, a 12-week period, increased 11% over the \$4,835,000 of revenues reported for the fourth quarter of 1980, a 16-week period. Net income for the first quarter of 1981 was 78% higher than the \$70,300 reported for the fourth quarter of 1980.

New Era, New Look

Exterior Trademark Signs

Primary exterior signage components were developed for attached building signs, detached signs, and typical secondary signs such as directional/informational signs in parking lots. Two basic trademark formats—horizontal and square were developed to cover the majority of exterior signage applications.



Architectural Exterior Elements

Based around a theatre marquee motif, S&O developed an exterior specifications package that provides more visual impact, and a stronger relationship to the restaurant's interior, with cost effective, reduced-maintenance materials. The architectural elements provide exteriors adaptable to typical strip shopping center entry and typical freestanding building entry with suggested materials and colors. The front entrance extends the theatre theme with miniature marquee lights overhead.

Interior Decor Package

The new interior decor includes color-coordinated carpets and wall finishes for the dining/entertainment areas giving each area a more distinctive look. The game room is further identified and distinguished from the other areas with a new green interior. The cabaret where Dolli Dimples entertains has been given period lighting fixtures and furniture, and a burgundy coordinated color scheme to create a special image. The lounge has a blue color scheme, brighter lighting and will use sports photography and school pennants as key decorative elements. This room may be used for local community activities.

New Signs to Appear Soon

The new Pizza Time Theatre in Modesto, scheduled to open the third week of May, will be the first store to have the new signage package, both inside and out. The first store to have the complete design package including the interior decor package will be the Pleasanton unit, currently scheduled to open in late July. Company letterhead, forms and other printed pieces carrying the new trademark will go into effect in June.

1981 Commodities Report

The following information was compiled by Linda Sako, Food Standards Manager.

Beef and pork prices are expected to rise between 6% and 9%, as herds were decreased as a result of last summer's drought, and the cost of feed and grain has increased.

As a result of the President's recent signing of the Dairy Price Control Bill, we can expect only a slight increase of a few cents per pound in the price of cheese this spring, as opposed to an 8-10¢ increase originally expected. The amount of increase scheduled for October is not yet known.

Price of tomato products and other canned items will continue to rise due to several factors:

- price of oil
- cost of borrowing
- cost of labor (expected to rise 10% in 1981)
- railroad freight rates (up 12% in 1980)

Our most current booking with General Mills showed a 2% price increase in flour over 1980 prices as last year's crop exceeded demand 8-12%. Flour experts predict the market to soften somewhat in 1981. All predictions, however, will be dependent on weather in the U.S. and in countries with which we currently trade.

The U.S. Dept. of Agriculture projects food prices to increase more than 15% in 1981.

Private Labels

Distributors should have in stock printed paper cups, in both 12 and 20-ounce sizes, as well as printed sugar and sugar substitute packets. Printed birthday supplies should be in stock by mid-May, as should printed bags used in the General Store.



Product Research & Development

Preblended pizza sauce—This new product, packed by Heinz, is scheduled for test in the Sacramento District during April and May. This should result in a significant labor savings.

Precooked Sausage—A special formulation made by Doskocil has been tested in two company stores. Minor details such as chunk size and fat content are undergoing modification. If we can come up with a satisfactory product, a precooked beef and lin-

guica will be developed to complete this program.

Sandwich Program—The new program went into effect at the Kooser Road, San Jose unit on March 16. Sandwich counts have increased by 50%, and customer reactions are very favorable. The program will be expanded into the Hayward, California and Arlington, Texas stores by June. Assuming overall results are positive, we can expect chain-wide implementation by late summer. We'll keep you posted!

Salad Dressings—Several leading manufacturers' products have been

tested with a complete private label program in mind. A retest of the favorites, as judged by a formal panel this past winter, will determine final results. The dressing program should be implemented this summer.

Diced Cheese—This is already being used successfully by many stores, both franchise and company-owned. Although labor costs have been significantly reduced, a high-moisture mozzarella is being evaluated which will help offset increased product cost. We are currently looking into obtaining a shredded cheese to replace the diced.

More Labor Savers

Some devices that have been installed to help cut labor costs include portion heads for all drink towers in our company stores, and portioned and metered beer heads which are currently on a 30-day test at the Hayward store.

Distribution

PTT's rapid growth has expanded our distribution needs and we now have seven authorized full-line distributors:

Leprino Foods—California, Texas, Colorado, Arizona, Utah

Brandt, Inc.—Ohio

Biggers Brothers—North Carolina
Blue Line Distributors—Michigan

Bass & Swaggerty—Florida
Powell Purveyors—Florida
Schloss & Kahan, Inc.—Alabama

To assist our distributors in maintaining food standards throughout all locations, nationally available products are being specified wherever possible. Two new additions to our national food specs include Eckrich sliced roast beef #658 and Hormel water sliced ham #100939. Your distributor should have both products available.

Pizza Times

This issue launches the rebirth of the Pizza Times in a new tabloid-sized format to be published initially on a quarterly basis by Pizza Time Theatre, Inc.

The purpose of the newspaper is to inform, to motivate, to serve as a public relations tool, and, perhaps most importantly, to provide two-way communication about events affecting PTT. Your suggestions and input are not only encouraged, they are vital to making this a valuable forum for sharing information and ideas.

We need your suggestions for articles as well as your talents as reporters and photographers. If you have story ideas or news for the paper, or would like a story assignment, please contact Suzie Crocker, Communications Manager, 1213 Innsbruck Drive, Sunnyvale, California, (408) 745-6051.



The Pizza Times

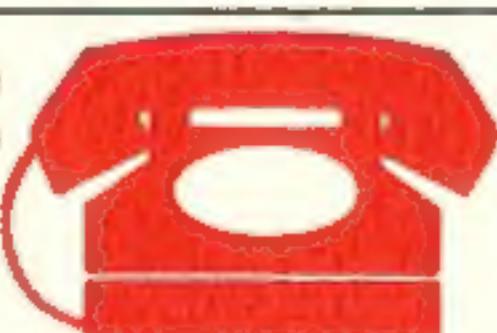
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Trial Date Set

President Joseph F. Keenan announced that a September 28 jury trial date has been set by U.S. District Court Judge Robert H. Schnacke for Pizza Time Theatre's lawsuit against Brock Hotel Corporation (formerly known as Topeka Inns Management, Inc.) of Topeka, Kansas. The trial will be conducted in San Francisco.

Dial It Right



The following reminder is for employees at corporate headquarters... when placing calls within California that are other than local or message unit, dial 81 for access to the California WATS Lines. For calls outside California and within the Continental United States, dial 83. We now have 2 California WATS Lines and 2 national WATS Lines.

Discounts for Fun

The Personnel Department has Great AmeriClub Discount Cards that entitles Pizza Time Theatre employees to \$2.00 off the admission price to Great America.

Magic Kingdom Club Membership Cards are also available. Club members not only pay less for ticket books but receive "unlimited use" tickets.



Fast Pace for Training Department

More than 50 management trainees per month are going through the company's intensive three-week training course given at the Kooser Road, San Jose training headquarters.

An additional two weeks of training (Phase II) at assigned store locations is required by corporate management trainees, and may be taken by franchise trainees as well.

The training department is headed by Bob Coltrane, Training Director. Management Trainers include Keith Dupen, Ken Wagener, Greg Hay, Dean Samuelson, and Joe Zientara. Andy Novitski and Randy Morse are recent additions to the training staff. Andy was formerly an Assistant Manager at the Kooser store, and Randy was formerly an Assistant Manager at Florin Center, Sacramento. Also on the staff is Harryette Clarke, Assistant Training Coordinator at Kooser.

Who's New at Corporate

Pizza Time's growing business means more employees at the Sunnyvale headquarters. The following people have joined the staff since the first of the year:

Jay Atkinson—Stock Room Kitter
Ed Chan—Accounting Clerk
Lloyd Curtis—Guard
Diane Dudeck—Graphics Manager

Vince Flores—Shipping Clerk
Leona Fung—Marketing Secretary
Vicki Geer—Receptionist
Mary Gil—Accounts Payable Supervisor

Lynette Grant—Jr. Payroll Clerk
Denise Gray—Craftsperson
Larry La Cerra—Assembler
Jacqueline Lafitte—Craftsperson
Debbie Maher—Clerk Typist
Mary Jo Martin—Real Estate Secretary

Jerry Miller—Production Planner
Joanne Moore—Buyer/Expediter
Clay Sneed—Buyer

Randy Nelson—Animator
Kathy Perez—Stores Operation Secretary

Robin Pogue—Stores Clerk
Karen Quesada—Craftsperson
Aldridge Ricks—Assembler
Robin Sands—Controller

John Scott—Executive Vice President Franchise

Thomas Sharrier—Assembler
Connie Steward—Stores Management Recruiter

Lloyd Turnball—In-Process Inspector

Pizza Time Goes International

Pizza, Pasqually and Pong have gone half-way around the world. As of March, families "down under" are enjoying our special food and fun concept at Surfers Paradise, the resort capitol south of Brisbane on Australia's famed Gold Coast.

Franchised by Grundy Leisure Pty, Ltd., Pizza Time is registered in Australia under the name of Pizza Play House. Instead of Chuck E. Cheese, Pizza Play House's furry mascot and Emcee will be Charlie Cheese, Chuck E.'s Australian cousin.

The new Pizza Play House is located in Paradise Centre, a 5½ million dollar family entertainment complex. The complex also includes a four-lane water slide, a full size carousel, space buggies, a space simulator, and a group of 12 fast food and merchandise shops.

Grundy Leisure is a subsidiary of the Grundy Organization, an entertainment-oriented conglomerate. Chairman Reg Grundy is known as Australia's largest producer of television programs and motion pictures.



In Australia, the sign says "Charlie Cheese's Pizza Play House."

First Canadian Franchise

Chuck E. Cheese is going to Canada, too. Our first Canadian franchisees, Arthur S. Doran, and John Ingro, signed a Territorial Development Letter of Agreement as of May 1st to open 10 units—three in 1981, three in 1982 and four in 1983. The first store will be in Burlington, Ontario while the others will be located in the greater Toronto area around the Western end of Lake Ontario known as the "Golden Horseshoe." Mr. Ingro, Managing Director of the Canadian group franchising Pizza Time, also has franchises in Grandma Lee's, a chain of bakeries and breakfast/lunch restaurants operating in Canada.

First Annual Convention in September

Pizza Time Theatre's first annual convention is scheduled for September 11, 12 and 13 at the Hyatt Del Monte in Monterey, California.

The meeting to be attended by franchise principals and corporate management personnel, will feature guest speakers and include workshop sessions on all aspects of the Pizza Time Program.

John Scott, Executive Vice President of Franchising, and Pat Saign, Director of Marketing, are co-chairmen for the event. More information on the convention will appear in the August issue of the Pizza Times.



Franchise News



A good time was had by all in Tampa, Florida. Top photo: Franchise principals get together for first Franchise Update Meeting. Left photo: Harmony Howlette wows 'em at Tampa Grand Opening Party. Right photo: Chuck E. Cheese makes friends with Miss Ana Tampana, Ambassador for the City of Tampa.

Franchisees Meet For Update

The first franchise update held in Tampa, Florida on May 5 at the Host Hotel was attended by 30 franchise principals.

The all-day meeting began with the appointment of a Franchise Advisory Council with regional representation. The newly formed council will facilitate communications between the franchisees, the community and the corporation. Presentations were given by corporate management on multi-unit operations, vendor-supplier relationships, marketing, project management and inspection, games, and new development. A round table dis-

cussion with President Joe Keenan, Executive Vice President of Franchising John Scott, and Vice President of Franchise Administration Don Marks, followed the afternoon sessions.

Meeting participants attended the Grand Opening Party held that evening at the new Tampa Pizza Time Theatre, 2363 E. Fowler Avenue. About 300 guests representing the local media, community organizations and businesses attended the party.

A breakfast hosted by Chairman Nolan Bushnell concluded this important event.

Full Schedule For Franchises

Chuck E. Cheese's new franchises are opening all over the country. In Northern California, MOW Enterprises, Inc.'s Santa Rosa store opened in April, and their Napa store is under construction. Bill Drane's Mobile, Alabama store held its grand opening the end of April, as did Larry Rose's Salt Lake City unit. Larry also operates units in Ogden, Utah and Fremont, California. In Arizona, a second Tucson store opened the first week of May. Mike Powers and John Andron, owners of the Tucson Franchise, are also planning to open in El Paso, Texas in late 1981 and in Las Cruces, New Mexico in 1982.

RSKT, Inc., operators of the Sunnyvale, California PTT, are opening a second store in Milpitas, California the last of May, and a third in Redwood City, California during the summer. APCOA, Inc., who operate a franchise in Maple Heights, Ohio, are opening another unit in Middleburg Heights the end of May, and two more in Houston, Texas, later this spring and summer. Family Entertainment Centers, Inc. the franchisee in Sun Valley, California is opening a unit in Rockville, Maryland in June.

Tempe, Arizona will have its first PTT in early summer. Principals are Angelo Orphan, who also operates a store in Fresno, and Dan Robertson. FEC, Inc. plans a June opening for their Lake Forest, California store. Michael Ilitch, who operates a PTT in Westland, Michigan, will open another store July 1 in Warren, Michigan and three more in the Detroit area later this year. Food Systems, Inc. will open their Memphis, Tennessee store in July—they are already operating in Raleigh, North Carolina.

Additional locations scheduled to go under construction in the next two months are Seattle, franchised by Frank Jones; Portland, Oregon, franchised by Mike Maginnis; Boulder, Colorado, franchised by Charter Management who also operate in Westminster, Colorado; and Minneapolis, Minnesota, franchised by Royal Development Company.

Missouri will be new territory for Chuck E. Cheese, too. Sam Hamra and Clark Amos signed a Territorial Development Letter of Agreement in April to open six stores in three years. One unit will be in Springfield, two in Kansas City, and three in St. Louis.

Games Demand at New High

In the games industry, video game manufacturers are reaching a high peak in producing "hit" games—so much so that the demand is increasingly becoming greater than the supply. In some instances distributors (hence operators) are being allocated meager weekly/monthly rations against their large orders. This is evident with such popular games as Defender, and the recent runs of Star Castle, Monaco Grand Prix, and Tailgunner II.

It is interesting to note that two previously big manufacturers of pinball games have entered the video field with tremendous strength—Stern Electronics with Berzerk, Scramble, and The End; and Williams Electronics with Defender. Atari continues to be a forerunner with such hits as Asteroids, Missile Command, Battle



Zone, the new Asteroids Deluxe and several other games on test such as Red Baron, Alien, War Lords and Centipede. Based on test results, production runs will be established.

Other new games not to be over-

looked are Midway's Pac Man and Gorf, Centuri's Phoenix, Taito's Crazy Climber and sit-down Star V, and Gremlin/Sega's sit-down 3-dimensional Space Tactics (currently on test in two Southern California stores), and Gremlin's Astroblaster.

The cost on all of these new high earners is skyrocketing. One is left wondering if manufacturing cost is truly in line with inflation or whether manufacturers, noting the increasing revenues that games are providing the operators, are justifying their price increases accordingly. At any rate, it looks like the video boom has not reached its peak yet. Thanks to our innovative manufacturers, we're going to have a very exciting year ahead of us—one which will, hopefully, increase our own game room appeal and productivity.

Promotional Video Tape

The polished and professional promotional videotape we're all so proud of was produced by James Barnes, Entertainment Department, and freelance Director Bill Akerlund. Shot on location at Pizza Time Theatre, San Ramon, the videotape demonstrates Pizza Time's unique family entertainment concept. If you see some familiar faces, it's because all the actors in the videotape are PTT employees and children of employees. The tape captures Pizza Time's wholesome family atmosphere focusing in on the food, games and Cyberamics entertainment plus a behind-the-scenes look at the corporate offices and factory at Sunnyvale. The video is accompanied by a musical score with a narrator.

The videotape was transferred to 16mm film, Super 8 cartridges and VHS videotapes for use by the franchising and operations departments at company headquarters and in the field.

The 16mm film presentation was recently used as part of the pre-stock offering "road show" given to institutional investors across the country after Pizza Time filed its preliminary stock prospectus.



New posters feature the "Pups from Liverpoozie."

Wardrobe Department All Beagled Out

The wardrobe department at company headquarters reports that "wardrobe is going to the dogs." They've spent all month making Beagles who will be performing in 13 stores by the end of June. That adds up to 52 dogs!

The wardrobe wizards have also been working on development of "The King"—the rock 'n' roll lion who sings a la Elvis. In addition, they've been polishing up the finishing details on Harmony Howlette who'll soon be appearing in 17 stores. Coming up next is development of an elephant who does a Minnie Pearl routine. When wardrobe sets their creative minds to this task, the Grand Ole Opry original will pale by comparison!

Kathy Wolf has recently been promoted to Wardrobe Supervisor and Jul Kamen is now Wardrobe Lead. New additions to the department are Karen Quesada, Jacque Latitte and Denise Gray.

Starring the Stores

PTT Kooser Road, San Jose, California has been on TV lately. NBC News with David Brinkley videotaped a segment there on April 17 for a feature on the popularity of video games. Kooser was also videotaped on March 26 by Channel 5 and 11 in San Fran-



Chuck E., Jasper and Miss Orlando celebrated the opening of the Winter Park store in January.

cisco. Renovation inside and out begins at Kooser in June. PTT Hayward, California was also videotaped for Channel 5, San Francisco on April 17. Hayward reports that a gourmet pizza promotion is currently on test in their store. When a customer orders a deluxe gourmet pizza he is given a Dollie Dimples flag to take to his table. When his pizza is done, an announcement is made over the P.A. system and the Pizza Time Players give a cheer. An employee bearing the gourmet pizza comes out of the kitchen and runs around the dining room until he finds the table with a flag numbered to correspond with the pizza order. This makes ordering a gourmet pizza a special event.

Mark Furst, Manager of the new Fort Myers, Florida store reports that when he was managing the Orlando, Florida unit, he, Chuck E. and Jasper were guests on the Glenn Arnette Show on Channel 35. Besides an interview with Mark, the show aired slides of the Winter Park store. PTT Concord, California made TV news, too, on Channel 2, San Francisco, on March 26.

More television stars...Sue Shaller, Manager of PTT San Diego, California says that ABC News, Channel 10, videotaped a segment there on April 16 which aired on the 11:30 a.m. and the 5 p.m. news April 17th. The store was reviewed for Jack White's book, "The 56 Best Restaurants in San Diego." The Westland, Michigan store is so successful they are adding 2500 square feet to the theatre dining room. They are also putting the Beagles into a new lounge area.

PTT Sun Valley, California has added a wide screen television to a lounge room where they also show movies and sports features.

Sue Lewis, Promotional Coordinator for Huntington Beach, California reports that softball players from Garden Grove, La Habra, Fullerton, and Huntington Beach are battling each other in the "Pizza Leagues." To date, the La Habra team seems to be the champions but the other stores are clamoring for rematches. These same four stores, and the Long Beach store, are sponsoring the California Surfs soccer team's "most valuable player award."

K. C. Bindel, Promotional coordinator for Arlington, Texas says their "first Western night ever" held in late April was a big success. Larry Leeders was recently promoted to Manager at the Arlington store. Simi Valley, California has expanded into an additional 2500 square feet of theatre/dining space, game area, and ice cream emporium.

PTT Tucson, Arizona is sponsoring seven Little League Teams, and Chuck E. appeared at all the season's opening games. The #2 Tucson unit, which opened May 4, will host a special night for Multiple Sclerosis on May 17th. The Raleigh, North Carolina store was visited by "Barney" from the "Barney Show," a syndicated children's television program. Chuck E. Cheese appeared on the Barney Show the last week of April.

Store Coordinators Boost Promotions

Promotional Coordinators who began in all corporate stores in January have proven to be a big asset to the management staff. Their efforts during January's group month and the other first quarter promotions were a definite reason for first quarter sales rising 32% from 1980s first quarter.

The "Chuck E. Cheese Family Birthday Special" promotion in February brought record crowds into Pizza Time Theatres as all stores had notable weeks during that month.

The "Out to Munch" luncheon promotion, just ended May 1, increased lunchtime traffic in March and April with offers of a mini pizza or sandwich and drink for \$2.49, or a salad and drink for \$.99. The promotion, which was supported by direct mail postcards to businesses, and radio spots, saw salad counts double and luncheon specials increase over 500%.



The current "Spring into Summer" T-shirt promotion offers a free T-shirt with the purchase of a large pizza to recipients of coupons distributed in stores during April, or direct mail postcards sent out in mid-May. Five thousand coupons were given out in each store and 15,000 cards were mailed to homes in each store's area.

For the first time, television will be used to support a promotion. In July, Chuck E. Cheese baseball hats will be advertised as premiums with the purchase of a large pizza.

Watch for further details of the Pizza Time Theatre - Muscular Dystrophy Game Tournament to be held in August. The two-week event will conclude with Chuck E. Cheese presenting a check on Jerry Lewis' Labor Day Telethons broadcast in each area.

On Stage and Off

Upcoming from the Entertainment Department is the all new "Harmony Howlette Wild West Show." The newly animated skits feature the coy coyote who "sends every little doggie heart jumpin' for joy." And Jasper, of course, falls in love.

The skits are upbeat country style and the overall production is very polished, especially in the growing theatrical sophistication of the lighting effects and beautiful new sets. There's some original music in the new show, and the balance of the songs come from familiar sources such as "The Sons of the Pioneers." The emphasis on well known western and folk songs should make this show popular with non-Country Western fans as well as the real devotees.

New Beagles

The new pups from Liverpoozie are up to some old tricks—turning heads and stopping traffic wherever they are installed. They have twice as many controlled functions as the first



Harmony Howlette and her "Wild West Show" bring Country Western to Pizza Time.

Beagles, giving them a much wider range of actions. The characterizations are so good that they fascinate Pizza Time Theatre goers even when they aren't singing. Each Beagle is a recognizable character and everyone knows who's who. That's a real credit to the designers. The Cosmetics Department gets a hand for the Beagles fine, finishing details. Animators Mike Hatcher and James Barnes take the kudos for getting the band rehearsed, ready and rolling.

New Addition

A new addition to the Entertainment Department is Randy Nelson. Randy is a trained artist with experience in theatre, both in designing sets and performing as a vaudevillian. He balances his artistic endeavors with experience gained as a computer professional working with large scale IBM mainframes. With his unique combination of skills, Randy fits into the show biz department perfectly.

THE PIZZA TIMES - MAY 1981

(Volume 1, Issue 1)

Date of Origin: 1981

Archived: 7-9-12

Submission by Kathy H.

Version 1.0

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The Pizza Times

Volume One, Issue Two — September 1981

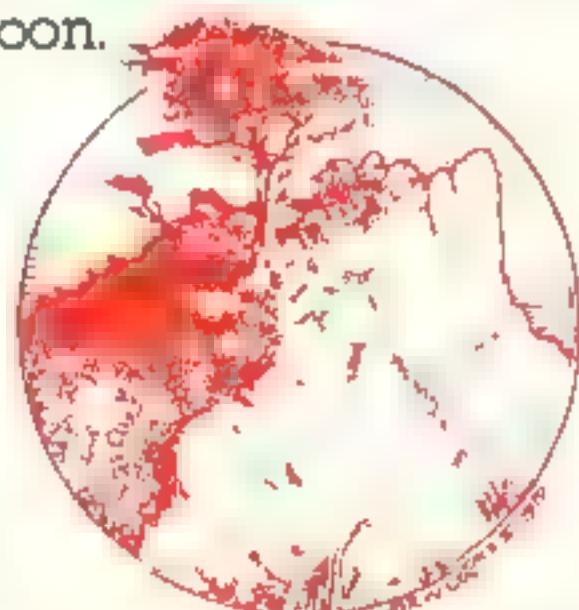
A STAR IS BORN

First Annual PTT Convention Opens in Monterey

Pizza Time Theatre's first annual convention opens Friday, September 11, in Monterey, California. The theme for the weekend event is "A Star is Born," and Chuck E. Cheese is, appropriately, the "man of the hour."

About 250 plan to attend the meeting held at the 450-room Del Monte Hyatt Hotel overlooking Monterey Bay and the Pacific Ocean.

The convention kicks off with an opening cocktail reception Friday evening on the poolside patio. Saturday's program begins with a continental breakfast followed by an audio/visual presentation and "Marketing 1982" session. Regional Franchise Advisory Council meetings conclude the morning activities. Workshops are offered in accounting, communications, entertainment, food standards, games/merchandise, operations, store development, technical operations and training/recruitment in the afternoon.



Festivities Saturday night begin with a cocktail party at historic Memory Gardens followed by the gala Awards Banquet at the Double Tree Inn. Presentations of the 1981 "Chuck E." awards include six categories for both franchise and corporate store operations. The Convention concludes Sunday morning with an Aloha Brunch and the closing general session.

For spouses attending the convention, the Monterey Peninsula offers a host of recreational activities, sightseeing and shopping. Reservations for tennis and golf may be arranged at the Pizza Time registration desk during check-in on Friday. Brochures listing area attractions and a list of recommended local restaurants will be available at the time, as well.



Chuck E. Cheese in top hat and tails appears on the convention binders, banquet program, memo paper, cocktail napkins, name tags, welcome signs and convention buttons.

Convention Schedule

Friday, September 11, 1981

Advisory Council Meeting - 9:30 a.m.
Opening Cocktail Reception - 6:00 - 8:00 p.m.

Saturday, September 12, 1981

Continental Breakfast - 8:00 - 8:30 a.m.
Opening General Session - 8:30 - 9:30 a.m.
"Marketing 1982" - 9:30 - 11:00 a.m.
Regional Franchise Council Meetings - 11:00 - 12:00 p.m.
Luncheon - 12:00 - 1:30 p.m.
Workshops - 1:45 - 2:30 p.m.
Workshops - 2:45 - 3:30 p.m.
Workshops - 3:45 - 4:30 p.m.
Awards Reception - 6:00 - 7:30 p.m.
Awards Banquet - 7:30 - 10:30 p.m.

Sunday, September 13, 1981

Aloha Brunch and Closing Session - 10:00 a.m.

Thank You To Our Convention Contributors



Ad Art Signs
Ad Fact Signs
Advance Automatic Sales Company
Aim-Ad
Bass & Swaggerty
Beach Products, Inc.
Betson Pacific Sales
Button King
C.A. Robinson & Company
California Printing Company
Coca-Cola
CODE, Inc.
Commercial Uniform Co.
Davmor Products Systems, Inc.
Easterday Supply Company
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Overland Products
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Raygal Design Assoc.
Rosicrucian Press, Ltd.
Rowe International
Sign Classics
The Wasserstrom Company

Food Operations

The following information was compiled by Linda Sako, Food Standards Manager.

Sandwich Program

The new sandwich program underway in all Pizza Time Theatres offers a "Sandwich Fixins" condiment bar where customers can dress up their orders. The new generously portioned sandwiches are served open-face in baskets for an especially attractive presentation.

Sandwich preparation procedures have been significantly simplified by deleting the French Dip and hot Barbeque Beef sandwiches, and by minimizing make-up requirements in the kitchen. The appetizing variety of sandwiches starring Madame Oink's Ham & Cheese, Mr. Munch's Submarine, Jasper's Giant Hot Dog and the Kiddie Dog plus two new attractions—Chuck E. Cheese Melt and Harmony's Roast Beef & Cheese—appeal to all ages.

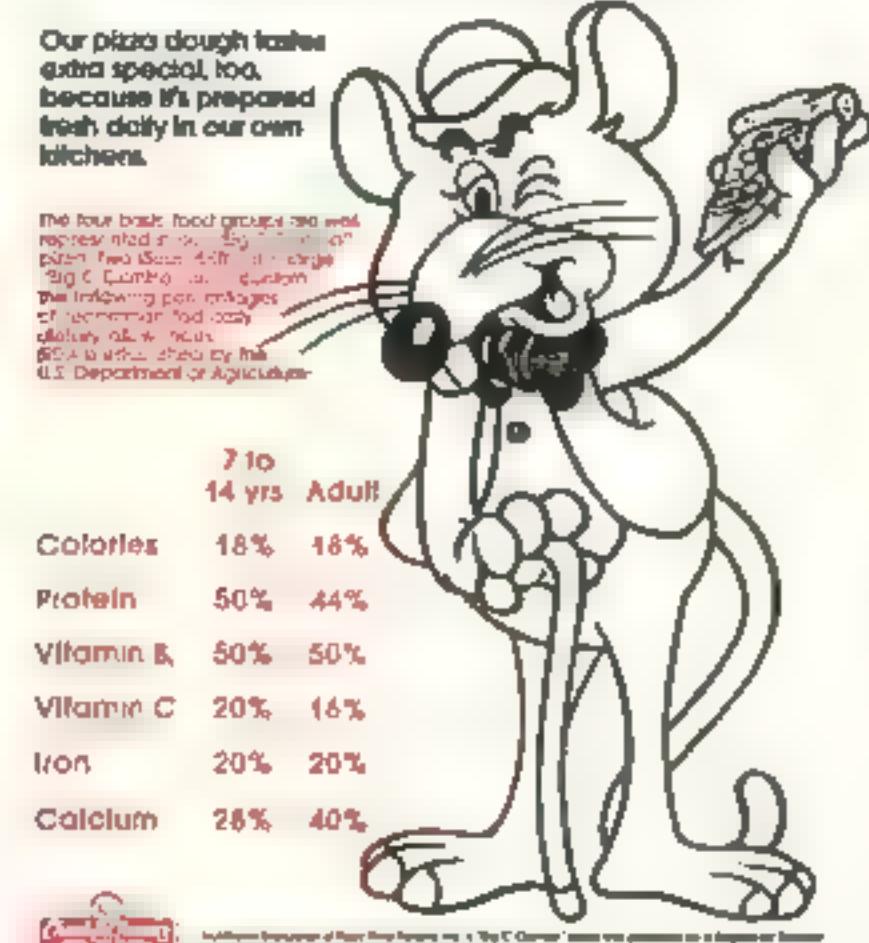


Promotional materials for the new program include "Try our new Sandwiches!" buttons, posters and in-store coupons offering 10 free tokens with the purchase of a sandwich or hot dog Monday through Friday, 11 a.m. to 4 p.m. Special comment cards are being issued to assist Pizza Time Theatre in developing other sandwich lines and determining regional requirements.

Chuck E. Cheese says our pizza is good food!

Just one slice of a large "Big C Combo" pizza has:

- the same calories and protein as a long sandwich
- fewer calories, some protein and three times more calcium than a peanut butter sandwich
- fewer calories, more protein and three times more calcium than an egg salad sandwich



The Chuck E. Cheese nutritional poster is on permanent display in all Pizza Time Theatres.

Tests

Tests currently in progress in company owned stores include:

- preblended pizza sauce—further evaluation of this product has been expanded into all Northern California company stores.
- pizza pans imprinted with PTT logo
- whipped fruit juices
- fast flow Coca-Cola heads
- simplified cleaning program
- freshly brewed iced tea

New Developments

Salad dressings—A complete line from Rod's Food Products including some of our own formulations is now available with the Pizza Time label from authorized distributors.

Color cleaning—Company stores are now using disposable wipes, color coded to designate use (i.e., floor, work areas, etc.)

Ten-foot make-table—Making its debut in August at the San Antonio store, the unit holds both pizza and sandwich products, thus streamlining preparation procedures. This larger table will become standard equipment in all company stores.

Pizza Time Theatre printed items—All birthday party supplies with an updated design and general store merchandise bags are now available through distributors.

Uniforms—Updated uniforms for hourly employees and complete management apparel will be ready for distribution this Fall.

Other Store Innovations

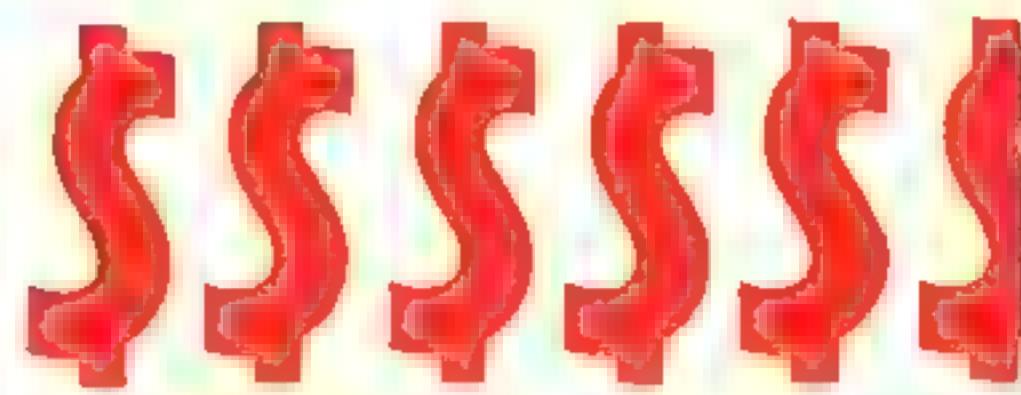
Color Call-out Monitor System—This new system will display messages as well as order numbers.



Mr. Munch Trash Eater—Currently being tested in the Kooser, San Jose store, the trash eater is intended to encourage self busing of tables. The trash eater dispenses a game token for every pizza pan put into it.

Kiddie Pop-up Stools—Motorized piano bar stools that go up and down will be tested in the new Cupertino store later this fall.

Second Quarter Earnings



Pizza Time Theatre, Inc. announced second quarter 1981 revenues of \$7,281,000 and net income of \$358,000 (\$.09 per share) as compared with revenues of \$2,216,000 and a net loss of \$76,500 (\$.03 per share) for the second quarter of 1980.

Revenues for the 24 weeks ended June 14, 1981, were \$12,636,000 with net income of \$483,100 (\$.13 per share) compared to revenues of \$3,888,000 with net income of \$1,300 (\$.00 per share) in 1980.

Revenues from Company Centers were \$5,636,000 for the second quarter of 1981, a 197% increase over the comparable quarter of the prior year. Revenues from Company Centers were \$10,390,000 for the 24 weeks of 1981, a 195% increase over the comparable period in the prior year.

Revenues from franchise operations for the second quarter of 1981 were \$1,645,000, a 417% increase over the comparable 1980 second quarter. Revenues from franchise operations were \$2,246,000 for the 24 weeks of 1981, a 505% increase over the comparable 1980 period.

J. F. Keenan, President of Pizza Time Theatre, Inc. stated that "the company's growth, both in volume and profitability, is in line with the current fiscal year's budget."

Pizza Times

The *Pizza Times* is published on a quarterly basis by Pizza Time Theatre, Inc. The purpose of the newspaper is to inform, to motivate, to serve as a public relations tool, and, perhaps most importantly, to provide two-way communications about events affecting PTT.

Your suggestions and input are not only encouraged, they are vital to making this a valuable forum for sharing information and ideas. If you have story ideas or news for the paper, or would like a story assignment, please contact Suzie Crocker, Communications Manager, 1213 Innsbruck Drive, Sunnyvale, California, (408) 745-6051.

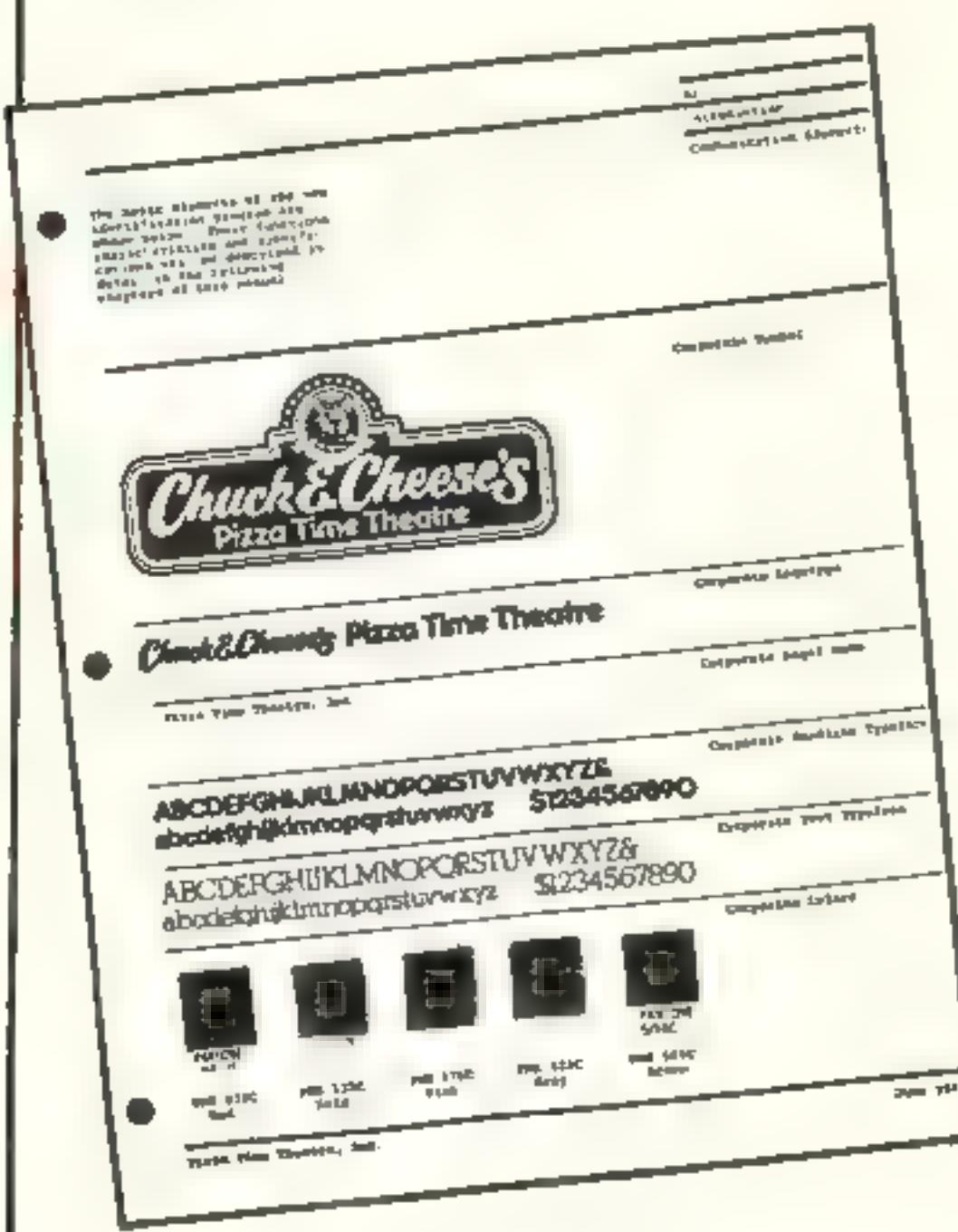


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New Logo Design Implemented

The corporate logo change is in full swing according to Diane Dudeck, Graphics Manager. All old logo materials should be depleted and any reorders must be redesigned to incorporate the new logo design and colors. In addition, our character illustrations have been revised to more closely match the colors and feeling of the new corporate logo design.



sample page



Graphic Standards Manual

The new Graphic Design Standards Manual will be available in September at the Annual Convention in Monterey. It will include the following:

- Basic Standards—corporate symbol, supporting typeface, and secondary and decorative elements.
- Applications of our new corporate symbol in stationery, advertising and publications, new signage package, vehicle identity and promotional items.
- Reproduction specifications of our new corporate symbol.
- Interior design standards.
- Character illustrations, reproduction specifications and applications.

Who's New at Corporate

The following people have joined the staff at the Sunnyvale Corporate Offices since May.

Don Adams—Engineering Services

Charles Bowlds—Purchasing

Brian Bundy—Accounting

Sonya Carter—Purchasing

Richard Cervera—Franchise

Nancy Corral—Real Estate

Secretary

Doug DeAnda—Manufacturing

Sheila Dennis—Cosmetics

Yolanda Denton—Manufacturing

Jane Fortini—Purchasing

Sharon Garinger—Personnel

Bethanne Lovett—Operations

Secretary

Barbara Graham—Accounting

Lynette Grant—Accounting

Al Graves—Construction

Cameron Jeong—Accounting

Pete Jones—Cyberamic

Installation

Robert Lemons—Shipping &

Receiving

Barry Magsaney—Manufacturing

Mary Jo Martin—Construction

Secretary

George Milo—Purchasing

Ed Moran—Cyberamic

Installation

Marie Norstegaard—Accounting

Mary Ann Patteson—Purchasing

Sue Schaller—Franchise

Lora Smith—Manufacturing

Mike Ullrich—Construction

TDLA's Signed

Territorial Development Letters of Agreement have been signed as follows: John Pera for three stores in Santa Barbara and Santa Maria, California; Royal Development Company for eleven stores in Minnesota; Bold Ruler Holdings, Ltd. for ten stores in the Toronto metropolitan area; Steve Snow for six stores in Louisville, Lexington and Northern Kentucky; Tom Pogemiller for ten stores in Central and Northern Illinois; PHUL Associates, Inc. for three locations in Albuquerque and Santa Fe, New Mexico; Rich Taylor and Lauren Ward for two units in Alaska; Sheldon Leikowitz, Neil Moss and Tom Saltsman for eight locations in Massachusetts and New Hampshire; and Leonard, Jim and Bill Rudolph for five stores in Western Pennsylvania.

Don Marks, Vice President of Franchise Administration, indicated that negotiations were being completed in upstate New York; Chicago; Long Island; Westchester County, New York; Arkansas and Mississippi; Western Canada; West Virginia; Spokane, Washington; Eastern Washington; Greater Philadelphia; and Tulsa.

Franchise News



Ian Holmes, President of the Grundy Organization, Franchisee of Australia's Pizza Play House, visited Pizza Time Theatre's Corporate Offices last month. Here, Ian and Rachel Cohen have lunch with Chuck E. Cheese at the Sunnyvale, California Pizza Time Theatre.

New Franchisees Meet at Corporate



Franchisees attending an orientation meeting last month at the Corporate Offices were (left to right) Steve Sammons, Tom Pogemiller, Chris Corbin, Jack Grey, Bill Rudolph, Arnie Fogel, Lauren Ward, Ben Bernstein, Steve Snow and Jim Bernstein.

Chuck E.'s Pride Award

The first "Chuck E.'s Pride" award will be given next quarter by the Franchise Department to the franchise store management and crew that best exemplify Pizza Time Theatre standards of quality, service and cleanliness.

This ongoing program will recognize the highest achievers for each quarter with a commemorative plaque and special pins. A photograph of the award-winning management and crew will also appear in *The Pizza Times*.

With today's increasing customer perception of value, the areas of quality, service and cleanliness have become the major key to our success. Pizza Time Theatre's strength



comes from the manner in which we treat our customers. This award is planned to recognize our franchise restaurants that best emulate "Chuck E.'s Pride."

New Faces

Richard Cervera joined the Franchise Department in June as Project Manager. He is working with Jack Campbell and Clyde Reyes in assisting Franchises in construction and development of their restaurants. Richard brings a strong background in restaurant real estate, design and construction to the Department.

Sue Schaller has been named Area Representative to the Franchise Department. Her responsibilities will include assisting franchises in new store openings, conducting stores inspections and providing operations assistance to our rapidly growing franchise organization. Sue began her career with Pizza Time Theatre in 1979, entered the Management Program in 1980 and was General Manager of the San Diego store prior to joining the Franchise Department.

Don Schulte has been named Franchise Marketing Manager for Pizza Time Theatre, Inc. Don will be working with Pat Saign and the Corporate Marketing Department in support of the franchise stores and their promotional strategies. Before joining Pizza Time, Don was Marketing Director for the California Surfs Soccer Team.

PROFILE

Murphy Named Franchise Administrator

Judy Murphy has recently been promoted to Franchise Administrator. In her new position, Judy will be responsible for the day-to-day administration of the Franchise Department with special emphasis on assistance and support to the growing Franchisee community.

Originally employed as Franchise Department Secretary, then promoted to Administrative Assistant, Judy has seen the Franchise Department grow in the past year from three employees to eleven employees, and four franchise stores to 27 franchise stores.

From all of us who depend on Judy's invaluable help, thorough knowledge, and willing assistance—congratulations!



Judy Murphy

New Franchise Store Openings

August was a busy month for Franchise owners. In California, RSKT, Inc. opened a new store in Redwood City while Gil Williams opened his Capitola location. The Pacific Northwest got their first taste of Chuck E. Cheese with Frank Jones' first Seattle location—Seattle #2 is slated for November. Mike Ilitch opened the Sylvan Lake, Michigan store and plans two more openings in October and November. Tennessee got their first Pizza Time Theatre with the opening of Food Systems, Inc.'s new store in Memphis—their Charlotte, North Carolina opening is scheduled for December.

Other franchise unit openings this

fall include Charter Management, Inc. in Boulder, Colorado; MOW, Inc. in Napa, California; Family Entertainment Centers, Inc. in Northridge, California and Richmond, Virginia; APCOA in Houston, Texas and Cleveland, Ohio; Bold Ruler Holdings, LTD. in Burlington, Ontario; PHUL Associates, Inc. in Albuquerque, New Mexico; and Mike Maginnis in Beaverton, Oregon.

Additional franchise stores to open this year will be El Paso, Texas by Mike Powers and Jon Andron; New Hope, Minnesota by Royal Development, Inc.; Springfield, Illinois by Tom Pogemiller; and Boise, Idaho by Rocky Mountain Development, Inc.

Starcade First TV Video Game Show

A 30-minute pilot for "Starcade," the first television video game show, is currently under production in San Francisco. The program is scheduled to air on Sunday, September 13th at 6:00 p.m. on selected NBC stations.

Starcade plans a format of guest celebrities competing against each other and playing for at-home contestants. Groups of 10 to 20 contestants on stage or at strategic locations in the audience will compete against each other until a winner is decided.

Contestants for the pilot show were drawn from preliminary contests held in twelve Pizza Time Theatres the first two weeks in August. Contestants were selected by scores, age and geographic locations. Pacman, Defender and Centipede were the games used for the contest. In addition, random contestants were selected from at-home entry forms deposited in the selected Pizza Time Theatre locations.

Stores participating in the preliminary contests were Huntington Beach, Citrus Heights, San Ramon, Garden Grove, Long Beach, San Diego, Modesto, Pinole, Winter Park, Tampa, Arlington and Fort Worth.

Starcade is produced by JM Production Company of San Francisco.



Upcoming Promotions



In December, television spots will offer Chuck E. Cheese Christmas tree ornaments for 49¢ with the purchase of a large pizza.

The summer promotions went off smoothly and successfully. During the May-June T-Shirt promotion, sales were up 36% over the same period in 1980 while the July Hat Promotion saw sales increase 39% over the same period in the previous year.

A new 30 second TV commercial has recently been produced by Bob Wilkins Advertising. Video-taped at the Pinole Pizza Time Theatre, the new spot features special animated effects using the new logo and an emphasis on the quality of our food and the Pizza Time Players. The new commercial will be previewed at the Annual Convention in Monterey.

Construction Update

Corporate stores open and operating totaled 30 in August with another four scheduled to open in September. According to Gene Landrum, Vice President of Operations, 27 more leases are signed, 15 of which are for units slated to open in the next 100 days.

With all this growth, Pizza Time's Construction Department is expanding to keep the new stores rolling along on schedule. Alan Vargo, formerly Construction Manager, has been promoted to Manager of Store Development. Al Graves is our new Construction Manager responsible for sites in the South-Central Region. He joins Construction Manager Scott Drummond, who is responsible for Western Region sites, in the Sunnyvale Corporate Offices. Dan Alvey, Construction Manager for the Eastern Region, is now based in Florida at the Brandon offices. Mary Jo Martin has returned to the Corporate offices as Secretary to Mike Ullrich, Director of Store Development.

Tom Morbitzer has recently joined the Company as Real Estate Manager, Eastern Region. He is responsible for acquiring sites in Florida and, eventually, in Connecticut, Alabama, Georgia (except in Atlanta), and Louisiana. Tom has been a consultant in shopping center development, and spent 22 years with the Don M. Casto Organization in Columbus, Ohio.

The Latest Games



with a new cartoon machine with customized graphics and cartoons. Hydrocopters and motorcycles are being purchased from an Italian manufacturer.

The San Jose Tully Road store scheduled to open late in the year will be full of new ideas and games. We will be testing a punching bag forest and a game called Boom Ball, similar to skeeball but instead of rolling the ball, the player shoots it out of a cannon. Our larger unit game rooms are becoming more fun than ever for tots. The newest attraction will be gigantic circular slides.

Chuck E. Cheese hosted the first annual Asteroids Tournament August 24 through September 3rd at 50 Pizza Time Theatres in 13 states. The goal of Pizza Time Theatre, Inc. was to raise \$50,000 for the Muscular Dystrophy Association—the actual amount raised was not available at the time of this printing. Proceeds from the event were donated directly to the Association on the Jerry Lewis-Muscular

Personnel Changes

Inda Trinwith, formerly Games Administration Manager has been named Games Planner/Buyer and is working with Pizza Time's Purchasing Department. Inda's primary responsibilities are planning and purchasing all new games for company owned stores, as well as supervising the movement of games from store to store. She will be ordering over 1200 more games during the last four months of the year.

Steve Dooner, formerly New Store Coordinator, is now assisting Bob Lundquist in Games Administration. Steve's responsibilities include tracking the more than 2,000 games presently in Pizza Time's inventory, analyzing and reviewing game collections, and designing game room layouts. Recently appointed Regional Game Room Coordinators are Shirley Short in Texas and Paul La Motta in Florida. They are responsible for setting up game rooms and general stores in new units as well as training new game room managers.

Good Ideas

The following good ideas come from Kristie Barker, Promotional Coordinator for Rocky Mountain Development Corporation's Ogden and Salt Lake City stores:

- A monthly calendar of events posted in each store listing happenings in the community that Chuck E. might want to attend. Community involvements that the store is sponsoring are listed as well with items needed for each event (i.e. balloons, flyers, etc.) noted on the calendar.
- An employee-of-the-month award—the employee receives a small cash award and his/her photo posted in the store.
- An in-store monthly newsletter to let employees know about things happening in the store that affect them.

Creative ideas, solutions to problems and helpful information are of interest to all the stores. Please share your good ideas by sending them into *The Pizza Times* or call Suzie Crocker at 408-745-6051.

Tournament Benefits Muscular Dystrophy

Dystrophy Telethon, Labor Day weekend.

For a \$1.00 entry fee, participants were given five tokens to play the popular Asteroids Deluxe video game, and a free coke. Entrants could register to play as often as they wished during the two-week tournament that ran Mondays through Thursdays from 2 to 8 p.m.

Age categories for players were seven and under, eight through

eleven, twelve through fifteen, and sixteen and over. An Asteroids Deluxe game was the First Place National Prize for the highest score. Prizes given at local Pizza Time Theatres included Atari home video games with the new Asteroids cartridge, as well as game tokens and Chuck E. Cheese T-shirts.

The benefit was the first national video game contest sponsored by a corporation.



Toria Costa, Muscular Dystrophy Poster Child, made friends with Chuck E. Cheese during the Asteroids Tournament.

The Florida stores have had a busy summer with special promotions and community involvements. In **Winter Park**, Chuck E. Cheese appeared on "Dialing for Dollars" on TV-Channel 9. He also participated in a special Polaroid promotion posing with customers for free pictures, and hosted a "Dance-a-thon" for Muscular Dystrophy which was videotaped by TV-Channel 2. PTT **Fort Myers** is co-sponsoring a Pop Warner Football Team and planning to have Chuck E. skydive during halftime at the team's first football game. The Fort Myers store and the Jaycees hosted the 50 Miss Teenage America contestants for an evening at Chuck E. Cheese's in August. The **Tampa-Fowler** store held a Sunday afternoon ice cream social featuring a children's fashion show that was attended by 300—free ice cream sundaes were served for an hour, and birthday flyers and Chuck E. Bucks were distributed. The Teamen Soccer Booster Club held a soccer clinic and autograph hour at PTT **Jacksonville** and watched films of their team on the store's big screen. Jacksonville's Chuck E. Cheese entered the "Mr. Legs Contest" at the local beach and won the prize for hairiest.

PTT **Salt Lake City** reports that Chuck E. is coming to the rescue of the financially troubled city zoo. For every large pizza sold, one dollar will be donated to the zoo. In **Ogden**, Chuck E. Cheese is running in the mayoral election—his platform is "Ogden needs more fun and games." The Ogden store also held a First Anniversary Party which included cake for 800 guests and a live-remote radio broadcast. Both Utah stores

Starring the Stores



Joe Keenan, Congressman Pete McCloskey and Nolan Bushnell posed with Chuck E. Cheese at the grand opening party of the Rockville, Maryland Pizza Time Theatre.

held their "First Ever Western Week" in July, giving away children's cowboy hats with every large pizza. The Ogden store's float won first place in the Rodeo parade, and Pasqually entered the Chili Cook-off (reports are that Pasqually's pizza is better than his Chili).

PTT **Sun Valley, California** sponsored fund-raising events for over fifteen community groups in the past three months. They are especially proud of their Little League teams who finished the season as champions or runners-up in their leagues. Chuck E., of course, attended all the games.

Chuck E. also befriended the swimming coaches at Sun Valley Park—Chuck E. Bucks were passed out to the best swimmers during swim lessons. The **Rockville, Maryland** store opened in June with a big splash—Chuck E. visited the Congressmen at the Capitol and paraded down Pennsylvania Avenue.

Westland, Michigan PTT hosted the mayor and city government officials for pizza and games during the annual Mayor Exchange Day. The second Michigan store opened in **Sylvan Lake** the end of August. Tom Pogemiller whose **Rockford, Illinois** store is slated to open in

November reports that the City Council has granted \$550,000 in industrial revenue bonds to bring Chuck E. Cheese to the Loves Park-Rockford area. The **Springfield, Illinois** unit will open later this year.

The **Capitola, California** store opened the last week in August with several special events including the Begonia Festival, a Special Olympics benefit, and a banquet and award ceremony for 400 members of the Santa Cruz softball league. The store is also sponsoring a junior lifesaving event in September with Chuck E. handing out awards and Chuck E. Bucks. In **Tempe, Arizona** Chuck E. was a guest on the Wallace & Ladmo television show. Chuck E. also appears regularly at the Phoenix Inferno soccer games.

PTT **Memphis, Tennessee** opened in August and "The King" was the star attraction. "We feel residents of Elvis Presley's hometown will find this rock 'n roll lion singing Elvis' hits particularly appealing," said Joe Parker, President of Food Systems, Inc.

Chuck E. Cheese from the **Stockton** store ice skated and acted as general ambassador of good will at Oak Park's Family Fun Day. The store also held a benefit for the American Cancer Society in August. The **Pinole** store which opened in June reports that the "Professional Women of Contra Costa County are already planning a PTT Halloween party where everyone dresses up so they can't be recognized." **Modesto** participated in an American Red Cross benefit and sent Chuck E. and Jasper to the MDA Skate-a-thon.



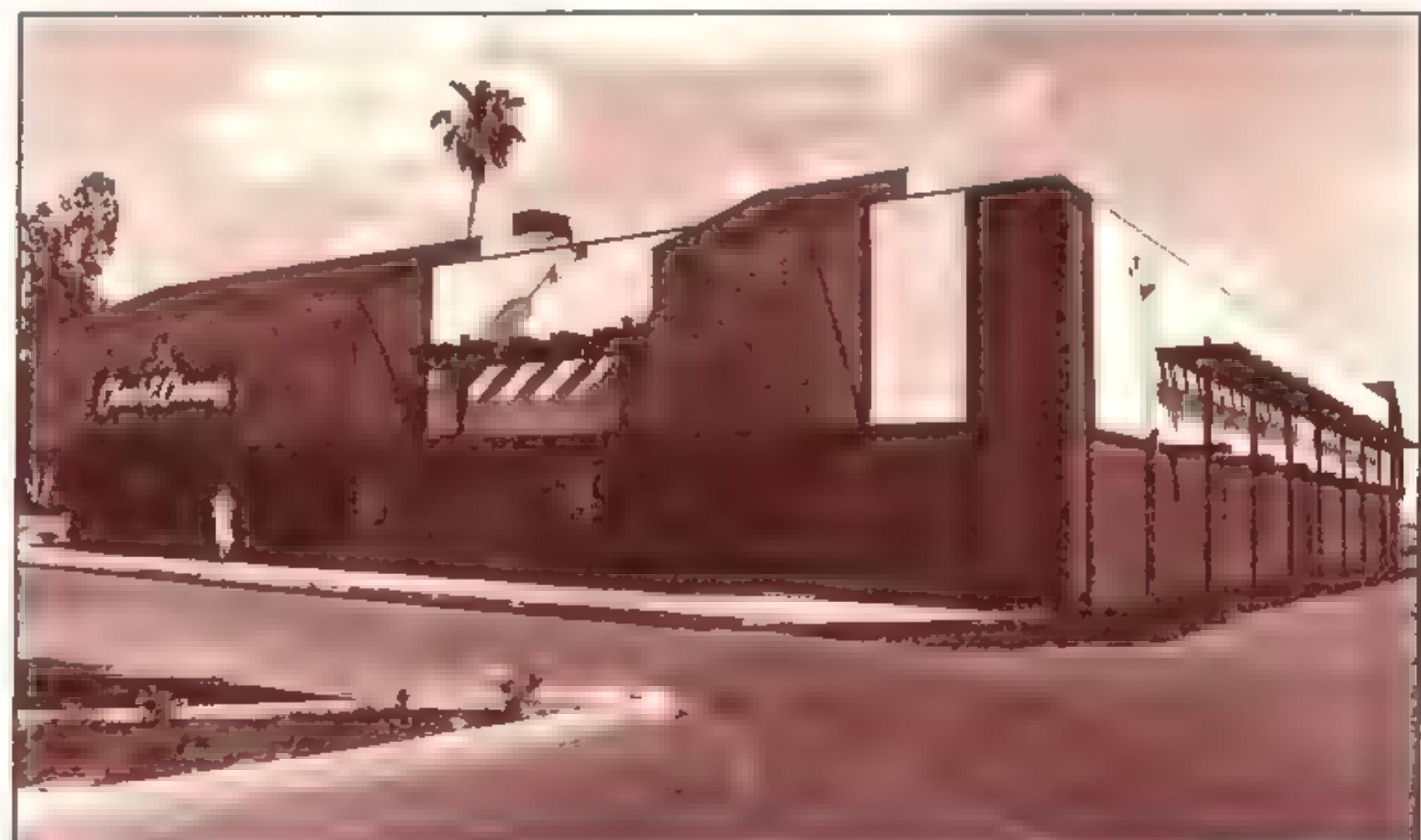
Chuck E. Cheese starred on the Wallace & Laddmo television show in Tempe, Arizona.



Ann-Meg White, an employee at the Ogden, Utah, Pizza Time Theatre, won the title of Miss Utah National Teenager.



Chuck E. and Jasper find "double trouble" at the grand opening party of the Brandon, Florida store. The three-year-old twins are the daughters of Maribeth Davenport, Promotional Coordinator at Brandon.



Pizza Time Theatre unveiled its second custom-designed store in Modesto, California in May.

Sports Review



PTT Hayward's coed softball team had a good season with wins against the San Ramon store, McDonald's and Wendy's. Northern California stores interested in a game against the Hayward team should call Joe Sanchez at 415-887-7575. Joe is also interested in starting a Chuck E. Cheese League for Districts I and II and would like any persons interested in sponsoring a team to contact him.

Ken Stanley at the San Ramon, California store is interested in starting a soccer league of District I stores and would like interested store managers to contact him at 415-820-0428.

Tom Shaver and Bob Gibson at the Corporate office are presently organizing a flag football team to play in the Sunnyvale Flag Football League. The first practice game is slated for September 13. Anyone interested in sponsoring the team or playing on the team should call Bob Gibson at the Corporate Office.

Congratulations to corporate employee, John Fagan, who led his women's Sunnyvale slow-pitch softball team to a third place finish in the first annual memorial classic softball tournament.

Pizza Time Theatre's corporate office softball team ended the season with a 3-win, 1-tie, 9-loss record. Although the overall record didn't reflect it, the team played at a very competitive level giving some tough teams exciting games. Team Members included corporate employees Jack Becham, Rob DeMartini, Scott Drummond, John Fagan, Bruce Ford, Bob Gibson, Pat Hannum, Lenny Harris, Steve Olivo, Pat Saign, Al Torrez and Dave Turnbull.

Editors note: Any stores with sports news or questions should contact John Fagan, Pizza Times Sports Reporter, at the Corporate Office.

Full Schedule for Training

Since January, 125 trainees have completed the management training program at the Kooser Road, San Jose location, and an additional 90 trainees have gone through the program at the other training facilities in Texas, Florida and Southern California. New staff members are Tom Morton, our trainer in Texas, and Karen Hewitt at Kooser Road. Karen was formerly a Manager at the Kooser Road store.

The Training Department is now issuing certificates to all who complete the program. Graduates who do not receive their certificates by October 15 should contact the Training Office at 1371 Kooser Road, San Jose, 95118, or call (408) 267-3018.

A plaque for a "job well done" was recently presented to the training staff by the June class. The plaque has a pizza wheel mounted on it and is engraved with the names of the class members: Al Broderick, John Cisneros, Gary Harwin, Ron Hol-

Rave Reviews for Latest Characters



"The Little Shavers" Barbershop Quartet made its first appearance last month in The Ice Cream Emporium of the Tampa Carrollwood Villages Pizza Time Theatre in Florida.

"The King," Pizza Time's very own super-sized lion who sings Elvis tunes, debuted with rave reviews in Pinole, California in June and is now entertaining in five stores. The shaggy maned rock 'n' roller is the result of joint efforts by many talented people. The initial concept and mechanical structure was developed by D'Miles Salmon, assisted by Francine Tibbs and Ron Peterson. Salmon, Tibbs and Peterson make up a new department called Product Engineering and are responsible for mechanical prototypes of all new products.

The King's cosmetics (which include head, costume, accessories and all visual elements) were designed by Kathy Wolf, Wardrobe Supervisor, and Jul Kamen, Cosmetic Prototype Specialist. The complete animation for the character includes 26 songs or about one hour of musical entertainment. Mike Hatcher, Director of Entertainment, and Animators James Barnes and Randy Nelson estimate that about 180 hours of programming time went into the King's animation that includes 14 individual movements which are combined to make hundreds of motions.

"The Little Shavers" Barbershop Quartet made its first appearance last month in The Ice Cream Emporium of the Tampa Carrollwood Villages store, and is slated to go into the Brandon, Florida and San

© 1981 Pizza Time Theatre, Inc.



"The King," Pizza Time Theatre's super-sized rock 'n' roll lion, sings Elvis Presley Tunes.

"The King"

Antonio, Texas Ice Cream Emporiums as well. Singing their own brand of close harmony—actually the music of "The Buffalo Bills"—the bearded barbers compliment the old-fashioned ambience of the Ice Cream parlors.

The initial design including mechanics and cosmetics for the Barbershop Quartet was developed by Harold Goldbrandson of Fantasy Forest. Like The King, the Little Shavers have 26 different musical skits which required about 180 hours of programming time. The theatrical set complete with mirrors, shaving mugs and barber pole was designed by Animator Randy Nelson.



land, Tom Morton, Ken River and Terry Turner.

Bob Coltrane, Director of Training, has been conducting a Management Development Seminar at the corporate offices. The course, given once a week for nine weeks, covers management functions, leadership, communications, selection and interviewing, time management, delegation, priorities, motivation, reinforcement, interaction, personnel relations, and stress. Congratulations to our first graduates—Sam Brown, Diana Carey, Doug DeAnda, Bob Gibson, Jul Kamen, Bob Lemons, Tom Shaver and Kathy Wolf.

The next session will begin in January 1982. Those wishing to enroll should contact their department supervisors.

Recruiters Look for the Best

Finding the best people to manage Pizza Time Theatre's corporate stores is the job of our Management Recruiters, Connie Steward in California, and Bob Rose in Florida and Texas. According to Bob, who joined the Company in March with a background in personnel, advertising and marketing, "People are the most important factor in making the Pizza Time concept work...and we need people who understand the difference between our concept and fast food or fine dining."

To find these well qualified store managers, game room managers, and electronics technicians, the recruiters use several sources: internal promotion, referral from employees, newspaper advertising and community contacts. They have also started a college recruitment program at schools with restaurant and hotel management departments, and plan to initiate an intern program for college students and Pizza Time hourly employees who demonstrate an interest in a management career.

Qualifications Connie and Bob require in candidates for store manager include two or more years management experience in food service or related fields; a record of job stability; a proven track record; motivation; and good appearance and communication skills.

For each successful candidate, the recruiters conduct a screening interview and reference check, schedule a selection interview with the District Manager, perform an interview analysis, and verify the completeness of each application. Bob estimates that he sees 12 to 14 people per hire.

Connie who joined the Company in February was formerly a recruiter for a dinner house chain. She feels there are no other restaurant chains that offer the growth opportunities of Pizza Time Theatre. "We're large enough to offer growth yet small enough for individual recognition and promotion." In addition to recruiting for company stores, Connie consults with franchisees regarding recruitment methods.



THE PIZZA TIMES - SEPTEMBER 1981

(Volume 1, Issue 2)

Date of Origin: 1981

Archived: 7-10-12

Submission by Kathy H.

Version 1.0

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THE PIZZA TIMES

VOLUME 2, NUMBER 1

MAY, 1980



EDITOR: Joan Eesley

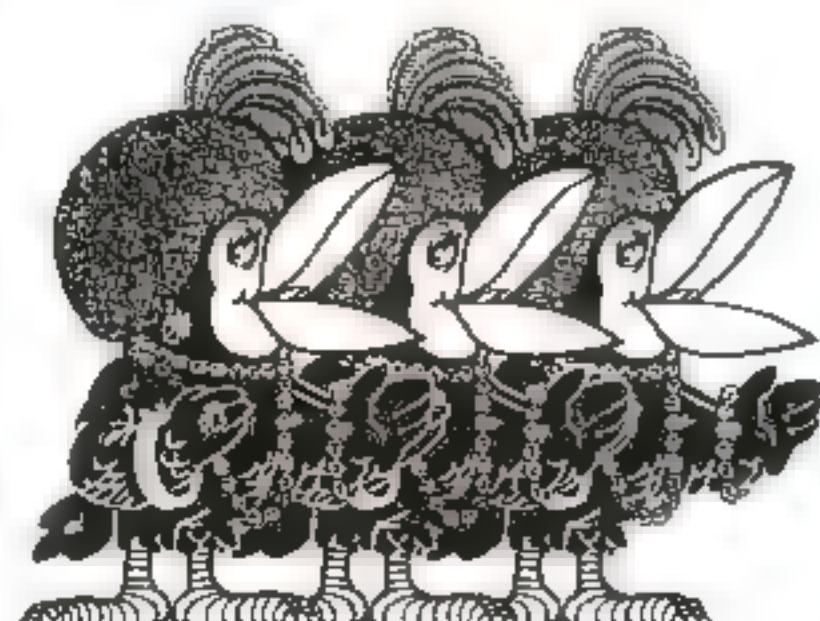
La Habra, Ogden next to open

Because we're growing so rapidly, there will be at least two store openings per month beginning in June. Southern California locations presently under construction include La Habra, which will open any day now; Simi Valley, planned for August; and Covina scheduled for August—all company-owned.

Among franchisees, the next openings will be May 17th in Ogden, Utah; June 28th in Fresno, California; July 7th in Sun Valley, California; and July 15th in Tucson, Arizona. Work will begin sometime next month on franchises in Santa Rosa and Sunnyvale, California.

"Name this Newsletter" contest winners

Congratulations to Concord Assistant Manager Sheri Walther, Florin's Jani Leonard and Stores Lead Randy Eaton of Corporate, who split the cash prize for naming this newsletter. All three suggested "The Pizza Times." Our thanks to the rest of you who took time to submit an entry.



Here's what Pizza Time Theatres nationwide are going to look like when they are "built to suit."

San Ramon store being built to our own design

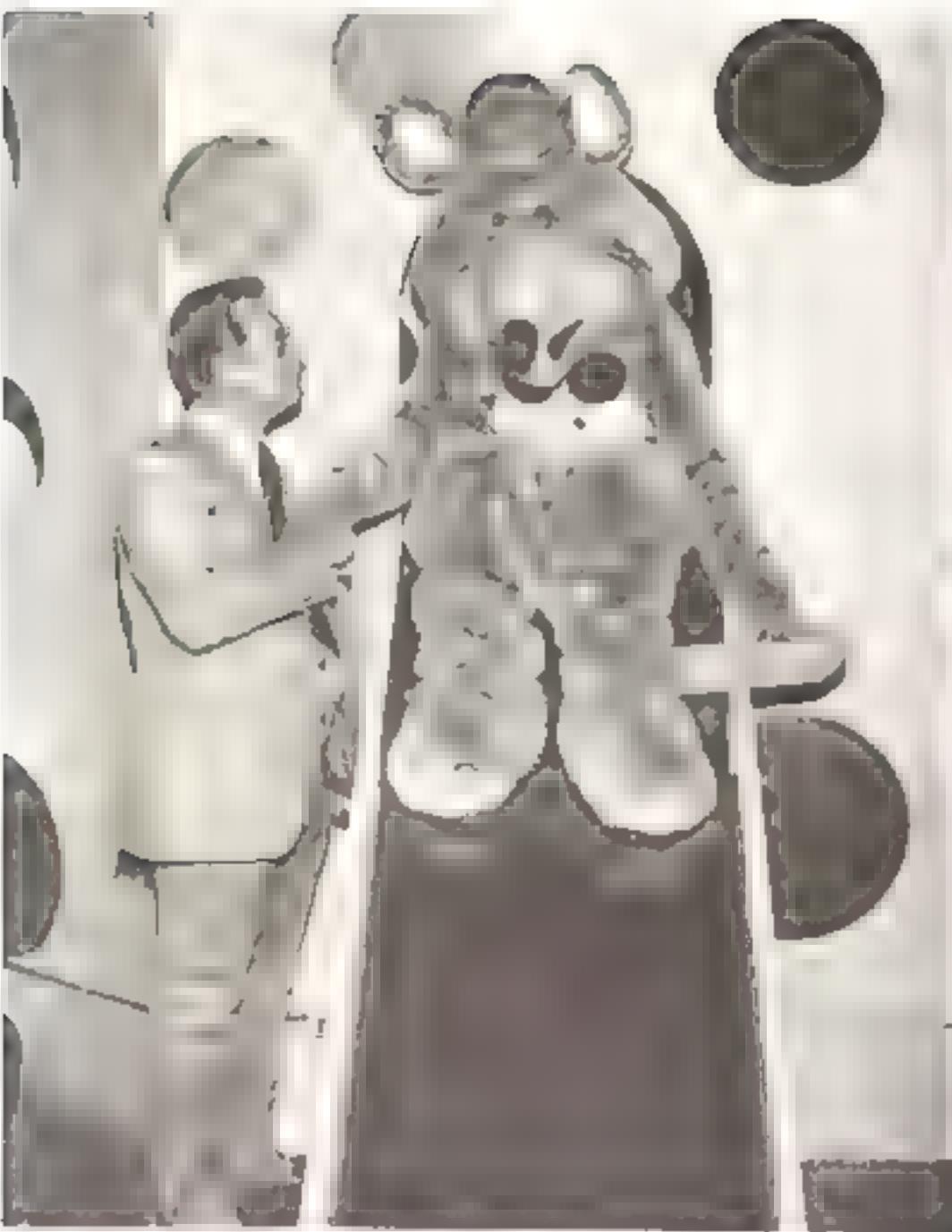
Chuck E. Cheese and the Pizza Time Players starred at a Ground Breaking Party held St. Patrick's Day in San Ramon, California. The new one-story, free-standing building, which will be ready about August 15, is the first to be built to Pizza Time's own design. Located at 1901 San Ramon Valley Road in Contra Costa County, it will seat 350 in an area of 9,600 square feet.

The Pizza Time Theatre concept was designed for us by Martin Garfinkel, AIA, of Palo Alto with site adaptation and exterior treatment for the San Ramon location by Davis/Rica & Makrakis, AIA, of Pleasant Hill. In this new design, to be used nationwide as we expand into other states, there will be a dining room-theatre, two guest star

lounges, space for 85 games, kitchen, storage, office, General Store and restrooms.

"The San Ramon store will be a prototype for others to be built later this year," explained Bill Rupp, Director of Real Estate. "The developer is D & M Development Company of Pleasant Hill with the Hoffmann Company of Concord as general contractor. The particular parcel of land we're using is part of a larger project, packaged by San Ramon Associates, which will include two office buildings."

Prior to the creation of this new building design, all Pizza Time Theatres were either built to fit a shell within a new shopping complex or remodeled from an existing building.



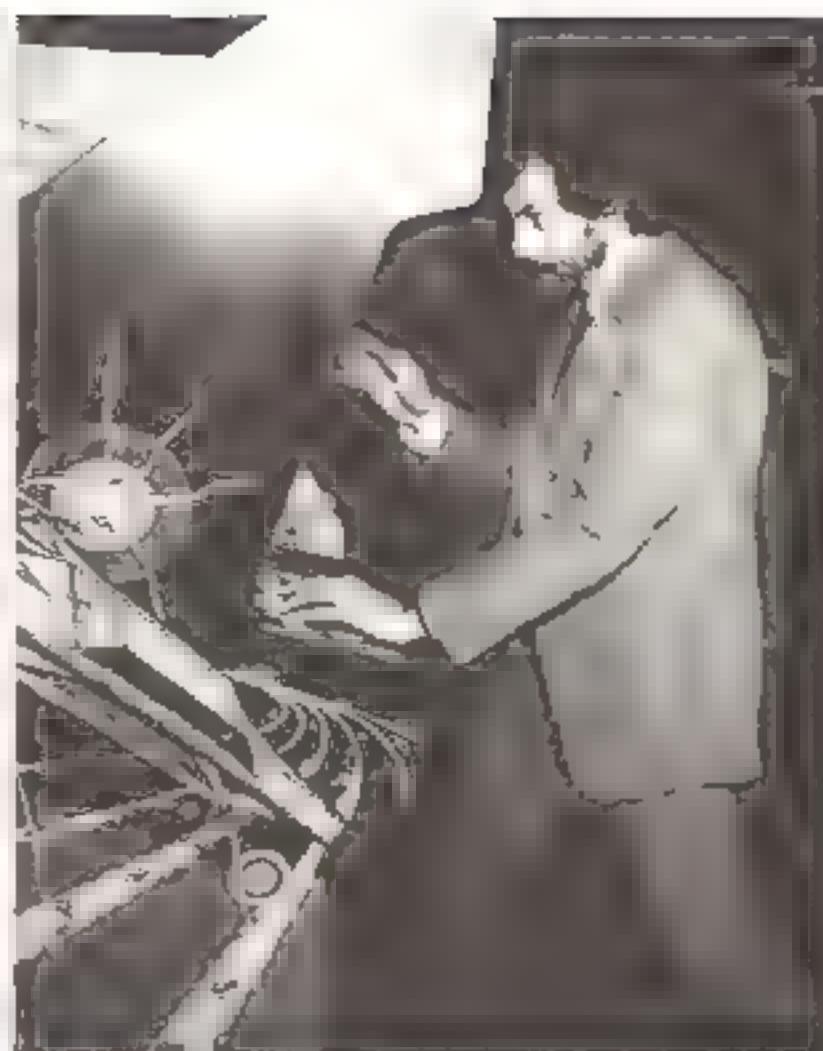
SPARKS AND CITRUS HEIGHTS OPEN WITH A FLOURISH

(Top to bottom): Sparks Mayor Ron Player was among the first Nevadans to greet Chuck E. when he arrived in that state. Player said, "We're delighted to have Pizza Time join the Sparks scene. Our city is growing at a phenomenal rate and this is a great addition." . . . Sparks Co-Owner Gene Finnigan of San Jose with his two Marinas. Gene's the contractor who's built four of our stores (including his own franchise in Sparks). It must be every child's dream to have a dad who owns a Pizza Time Theatre! . . . Part of the crowd welcoming Chuck E. to Sparks were (left to right) Stephanie Joslyn, Owner-Manager Gary Harwin, Lisa Boitano and Donna Prather. . . Guests at the Citrus Heights Grand Opening Party were youngsters from the Sacramento Receiving Home and Sacramento and Citrus Heights Little Miss Pageant winners. Here's Chuck E. pretending to be Bert Parks as he "crowned" Miss Petite Teen Denise Bean of Citrus Heights, while Miss Preteen Susan Sullivan of Citrus Heights looked on. . . Robin Hood Eric Fogelman of Folsom tweaked Chuck E.'s nose from atop the ferris wheel during the party. . . Leading off festivities was a Cheese Cutting Ceremony with the big guy himself, Manager Dave Wright, Past President of the Citrus Heights Chamber Diane Hazelroth and Chamber Executive Director Leo Pappas. District Manager Roger Berke did yeoman's duty chauffeuring pizzas from Florin because the new store's gas wasn't on yet.





Seen (above left) throwing their hats in the ring are graduates of the second Management Training Course: (left to right) Fresno's Tom Warmshus, Training Director Bob Coltrane, Pasqually, Ogden's Brad Garner, Tucson's Steve Powers and Winchester's Larry Hause.



What does our Illustrious Leader do when he isn't planning the future of PTT? *Nolan Bushnell* (seen above center at Sparks Grand Opening) loves to play Asteroids. He's hard to beat, has one of the games in his home, but when does he find time to practice?



Meet Artie Antlers (above right), the world-acclaimed player of boogie woogie piano, now appearing at Kooser, Concord and Florin Mall. Soon to be in Huntington Beach, Stockton and Citrus Heights. He replaces Dolli Dimples, who's taking a well-earned vacation.

Group tours, photo promotion big successes

More than 6,100 customers had their picture taken with Chuck E. during February's very popular Photo Promotion. It paid off, since that month showed the best sales in the company's history. The leader was Huntington Beach, where they took 1,450 snapshots. Congratulations to Dave Zitney and his gang for a job well-done.

Another very successful promotion has been our on-going Group Tours. To date, 4,500 elementary school children have visited our stores to make an educational tour of the kitchen, dining room-theatre and game area. In addition to seeing how pizza is made, which they later get to eat, the youngsters have a chance to pour their own soft drinks from the fountain and peek inside the massive walk-in refrigerators, large mixing bowls and mammoth ovens. For the finale, each gets to play a game and meet Chuck E. Cheese in person.

Leading the number of tours taken is Concord, under the able direction of Assistant Manager Sheri Walther.

Who's that?

Ask Gene Landrum about his four-year-old daughter's skiing ability and he just beams. Tammy must have inherited her dad's athletic ability because Gene, in addition to being an expert skier, is also one of the state's top-ranked racquetball players.

Landrum holds a B.A. from Tulane University and studied for his M.B.A. at West Virginia University. He began his sales and marketing career with Singer-Friden and, prior to joining PTT in



1972, was General Manager for the Consumer Products Division of National Semiconductor.

Gene is responsible for the day-to-day operation of all the company-owned stores. It's a job for which he had good training because, as Pizza Time's first employee, he was responsible for the first store opening, as well as being the creator of many of our kooky concepts—the Cheese Crawl, Munch's Madhouse, Dolli Dimples Cabaret, to name but a few.

Gene lives with his wife, Linda, and daughter in Cupertino, CA.

Have you heard 'bout?

- Chuck E. Cheese giving up smoking during the recent nationwide "Great American Smoke-Out"? His ever-present cigar is no more.
- The new characters under development in our Apple Valley Creative Studio? They're the Beagles, four hounds who play music originally recorded by guess who?
- Pizza Time Theatre being featured on PBS June 16th on "Ben Wattenburg's 1980"? The television camera crew visited Corporate a few months back to shoot footage for the show.

Corporate move

Corporate moved from Cupertino to nearby Sunnyvale. Moving Day was really Moving Week from the time the first boxes were packed until the last carton was emptied. Pizza Time Theatre is the very first occupant of an attractive new one-story building in Moffett Industrial Park, 1213 Innsbruck Drive, Sunnyvale, CA 94086. The new phone number is (408) 745-6051.

What's new in games

Games Administration Manager Inda Trinwith tells "The Times" that she and Bob Lundquist have been looking at several new games for possible purchase. Among those introduced at the recent Games Convention in New Orleans were Space Zap, Galaxian, Rip Off and an upright version of Monaco Grand Prix. New games, when they arrive, will be filtered into older stores replacing older games, while duplicates of existing games will be ordered for new stores.

According to Inda, the three favorites in our stores are Asteroids, Tailgunner II and Space Invaders. Starfire and Monaco Grand Prix run a close fourth. "When it comes to the very little kids, they prefer the Chuck E. carrousel and ferris wheel, the Kiddie Grand Prix and our new helium balloon machine."

What's a good return for a game? Inda says, "Before they brought out Space Invaders, everyone thought a consistent \$175 to \$200 a week was a good earning, but Space Invaders and Asteroids changed all that and now people in the games business want everything to make \$400 a week. This is certainly presenting a challenge for game manufacturers!"



San Ramon Ground Breaking and Fullerton Grand Opening within days of each other

(Photos top to bottom) Pasqually and Chuck E. led the boys and girls in a game of Ring-Around-The-Rosy during St. Patrick's Day Ground Breaking in San Ramon. Store will be ready in August... Chuck E. and his small friends devoured some 25 large pizzas (from Concord) during the afternoon. Here's the Great Pizza Cutting Ceremony with many interested (hungry?) onlookers... Director of Marketing Pat Saign, assisted by Director of Real Estate Bill Rupp and the youngest of his three daughters, put up the "Coming Soon" sign. Rupp and his family are residents of San Ramon... Arriving at Orange County Airport aboard an Air California plane, Chuck E. created quite a stir among passengers and crew... Fullerton Manager Richard Roop and Former Fullerton Mayor/City Councilman Dwayne Winters accepted the first pizza from the rascally rodent. Mayor Winters and driver met Chuck E. at the airport with a limousine to take him to his new home in Fullerton... When word got around that Chuck E. had arrived, everyone came outside to greet him.





STARRING THE STORES



Citrus Heights

Sacramento's Channel 40 did a "Newsplus at 10" feature on our Cyberamics system the week we opened... Chuck E. was seen on camera during pre-event television coverage of the big United Cerebral Palsy Telethon. The next week during the actual telecast he was seen again handing out Chuck E. Bucks to volunteers on the telephones... Assistant Manager Lorraine Plummer was so excited our store was chosen for filming Pizza Time Theatre's new tv commercials, she went out and had her hair done. Too bad the camera arrived with its own talent and Lorraine lost her bid for stardom. Former TV personality Bob Wilkins of "Captain Cosmic" and "Creature Features" fame heads his own advertising agency, which produced the spots. They were taped over two days in Citrus Heights and Concord.



Corporate

In Accounting Michelle Monahan is showing off a beautiful diamond ring and making plans for a summer wedding, while Kathleen McIntyre reports she won fourth prize in the Santa Clara Backgammon Tournament held at a local rec center... Marketing's Pat Saign just ran his fifth Marathon... Bet you didn't know there really is a Chuck E. Cheese, a live mouse that was captured with peanut butter in the old Corporate office building on Bernardo. For some two years he lived in a cage in Personnel Director Nancy Da Vita's office, but when we moved again to Innsbruck, she sent the mascot home to live with Roberta Zeh, Joe Keenan's secretary. According to Roberta, she has had pet rats and mice ever since high school... Director of Store Operations Jerry Kennedy "captains" the Corporate softball team, "The Big Cheeses." They do battle in a Sunnyvale Slow Pitch League. Good luck to the slugging "Pizza Time Players."



Huntington Beach

A private employee celebration was held after the Alcoholic Beverage Control Board granted our beer and wine license... Manager Dave Zitney, and his wife, Denise, just had their second child, a boy named Adam William, who's already a PTT fan, having attended the Grand Opening at Fullerton... We've been averaging a tour a day for the past two months, which keeps everybody on their toes... Assistant Joe Fisher surprised us with the announcement he'd gotten married over the weekend. No chance for a honeymoon because he had to train kitchen staff for Fullerton and La Habra. Joe will be part of the La Habra staff after it opens.



That's Kooser's Lisa Gonsalves waiting to take orders. Photographer was Mark Hanson, who got his experience during the recent Photo Promotion taking pictures with the Polaroid of Chuck E. and guests.



Concord

We surprised Manager Rob Schmidt on his 24th birthday with a cake shaped like his beloved motorcycle... Two who are newly engaged and planning summer weddings (after college graduation) are Chris Cellini and Tami Pierce... During Willows Whale Week approximately 1,500 school children saw films about the great mammals, watched demonstrations, etc., in the Willows Children's Theatre, then were given Chuck E. Bucks by CEC. This annual promotion in the Center is now one of the community's most popular events.



This happy group was snapped at Concord's Grand Opening just a year ago. (They will be celebrating their first anniversary between May 27th and 30th.) Left to right and top to bottom: Dave Zitney, then Assistant, now Huntington Beach Manager; Sheri Walther, Concord Assistant; Scott Nelson, then Assistant, recently named Manager of Florin Mall and Rob Schmidt, Concord's Manager. By the way, Scott, who's twenty-one, is our youngest manager.



Fullerton

Our second week set a weekly sales record for new stores during their first month of operation... Two hundred pre-schoolers and 300 Little Leaguers from Fullerton were just two groups that helped us celebrate our Grand Opening... We have twins working for us—Teresa and Paul Scruggs.



Florin Mall

Chuck E. danced for 2½ hours at a Disco • Dance Marathon to benefit United Cerebral Palsy. The event raised \$2,900 for that worthy cause. His visit boosted sagging spirits of the exhausted dancers, who'd been at it for 16 hours when Chuck E. arrived on the scene... Manager Scott Nelson reports to "The Times" that employees conducting a ten-minute search in the store and those adjoining it after a frantic mother reported her toddler was missing. She later sheepishly found her little darling asleep at the wheel of the Kiddie Grand Prix!



New staging, new show are featured at Kooser with Pizza Time Players all on one wall on a stage.



Sparks

Owner-Manager Gary Harwin's wife, Cindy, drives a car with California plates reading "PIZZA TME." His Nevada plates, where you can't get as many letters, reads "PZATME." . . . Did you hear that a lady found diamond earrings in her pizza the night of our Grand Opening? She's a friend of the Harwins, who flew up from Los Angeles for the party, leaving behind her husband to celebrate their 20th anniversary alone. He had Cindy hide the sparklers in the pizza to surprise her. . . Our store was featured on Channel 2's "PM Magazine" after we were visited by Host Keith Hirshland and a camera crew.



Stockton

We're sorry to lose Manager **John Eliesen**, but happy he has a nice new store in La Habra. **Suzanne Ammirata** replaces him as Manager, the first female manager in Pizza Time's short history. Congratulations, Suzanne. (Both she and John started as Assistants last October when our store opened). . . Assistant **Larry Leeders** and his wife are the proud parents of a new baby boy. . . We gave a \$1,000 Foosball game as a prize in Venetian Square's Grand Opening European Festival last month. Chuck E. drew the winning ticket, which was held by a man from Modesto.



Winchester

We have a Mother-Daughter team working now—**Arlene and Pam Savage**. Pam likes her job so much she convinced her mother to apply. Everybody just loves Arlene and calls her "Mom." . . . Assistant Manager **Andy Novitski** has moved from Los Angeles to South San Jose. He's a numismatist. No, that's not his religion. Means he collects coins (and tokens, too, Andy?). . . In a touch football game our team lost to Kooser, who then challenged Corporate in the First Chuck E. Bowl. Held over the holidays at Camden High School Stadium, the game lasted an unheard-of three hours and ended in a 21-21 tie. Scoring touchdowns were Kooser Assistant **Joe Scott**, Training Director **Bob Coltrane** and Construction Manager **Alan Vargo** from Corporate, who caught two touchdown passes.

WANTED: Store Reporters to send this editor news and tidbits about what's happening. Are you a born gossip? Here's your chance to put your talent to work. No pay, but some side benefits and a chance to see your name in print. Contact your Manager if you'd like to break into journalism!

PIZZA TIME THEATRE

1213 Innsbruck Drive
Sunnyvale, CA 94086

THE PIZZA TIMES - MAY 1980

(Volume 2, Number 1)

Date of Origin: 1980

Archived: 5-14-12

Submission by Kathy H.

Version 1.0

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The Pizza Times

Volume One, Issue Three December 1981

CHUCK E'S PRIDE

Upcoming Year of the Store Manager

1982 has been declared "Year of the Store Manager." John A. Scott, Executive Vice President of Operations, says, "The key to a successful business is doing the little things extremely well, and that begins with each restaurant's management team and crew." In order to reach our goal of improved store operations, the focus in 1982 will be on the most important part of the company—our store level personnel.

During the coming year Pizza Time hopes to improve communications between Corporate headquarters and the stores, to provide greater incentives to and recognition of store personnel, to improve the tenure and professionalism of our managers, and to work con-

tinually on strengthening day-to-day operations. As part of this program, Scott plans a tour of all the stores in the next 60 days to meet with managers and crews. He says, "We are improving store management training, developing in-store audio-visual training aids, and broadening our management recruiting programs. We'll also be conducting midyear a series of management seminars across the country for both company and franchise store managers to re-emphasize the nuts and bolts of store operations, and at the same time, gain feedback from the managers as to where they feel the Company can improve." New uniforms for both crew and managers will also be implemented in 1982.

With Pizza Time's rapid growth, it's especially important to recognize those managers and crews who have performed with overall excellence. The "Chuck E's Pride" program is designed to do just that. The first Chuck E's Pride awards have been presented to the Tucson franchise unit at 8616 East Broadway, and the Jacksonville, Florida Company store. Congratulations to the winners!

A commemorative wall plaque with an engraved brass plate will be permanently displayed in the winning stores, and special buttons saying "Chuck E's Pride Award Winner" will be given to the crew members to wear during the quarter. This ongoing program will recognize one franchise and one



company store every quarter. Those selected will best exemplify Pizza Time's standards of quality, service, cleanliness, and excellent overall operations.



He Wears Many Hats

On a typical Friday night you may find him out in the parking lot directing traffic, greeting guests, lending a hand at the pizza oven, visiting a birthday table, deploying the crew, busing tables, restoring lost children to parents, and, through the course of the evening, probably covering about 10 miles on the run. Rob Schmidt, like all Pizza Time restaurant managers, wears many hats in his hectic and busy job.

Now General Manager of the Pleasanton, California Pizza Time Theatre, Rob, 25, began his career with Chuck E. Cheese in August 1978 as a "back-up trainer" at the Winchester San Jose store. Since then he has been assistant manager at San Jose Kooser, and General Manager at the Concord and San Ramon locations before assuming his present position.

There are few jobs that demand such a wide range of skills and talents as that of a general manager in a Pizza Time Theatre. The manager's responsibilities include all of the following functions:

teacher and trainer
cheerleader, advisor and coach host
accountant and financial analyst
staffing logistician
computer operator
quality controller
pizza cook
bar tender
purchasing agent
maintenance engineer, electrician and plumber
outside traffic controller
marketing specialist
public relations representative
liaison between store and corporate office

chief trouble shooter

Besides all this, store managers work evenings, weekends and holidays. Considering all this, the obvious question is, why do they do it?

According to Rob, "it's a fun job, always a challenge, and never the same." He also added that there is great opportunity to move up in a company growing as rapidly as Pizza Time, and the bonus incentive plan is attractive as well. Rob enjoys working with his employees and says that when the employees are happy and motivated, the customers are happy. For Rob there is great satisfaction in seeing his employees doing a good job and he added, "when the store runs well, I feel really good about it." Rob has recruited from within his store, recommending several of his hourly employees for the man-



agement internship program

Scott Moe, North Bay District Manager, says that Rob always supports his employees if they're right, and if they're wrong he holds them accountable. The employees feel that their jobs are important and that Rob cares about them. He added, "Rob does an excellent job of working with his store employees and training them."

It's not surprising, then, to learn that Rob feels, of all the hats he wears, probably the most important is that of coach, cheerleader and advisor to his employees.

New Training Center and Test Kitchen

The eagerly awaited training center and test kitchen located in the new store at Highway 101 and Tully Road in San Jose, California is in the last stages of construction. The training facility will house 3 or 4 classrooms, a study, an audio-visual lab, a conference room and offices. The training staff at the new center will be Bob Coltraine, Director of Training, and trainers Rhobie Grogan, Karen Hewitt, Jody Foerstel and Andrew Novitski plus Training Coordinator Harryette Clarke.



Product Research

The 550 square foot test kitchen will serve as the base for all product research and development as required for both company and franchise operations. The kitchen,

a somewhat scaled-down version of a Pizza Time restaurant kitchen, will include areas for taste testing and blind sensory evaluations. The facility will employ a full-time food technologist and staff.

Some upcoming projects include:

- Further development of product specifications in an effort to standardize Pizza Time's distribution system.
- Research and development of product adaptations to meet regional requirements.
- Ongoing evaluations of existing products, procedures and recipes.
- Development of future product and menu needs.
- Evaluation of new preparation and handling procedures, small wares, restaurant equipment, portion and dispensing methods, and other operations.

The test kitchen staff will work closely with the training department by providing classroom demonstrations and procedural assistance.

As new concepts and methods are developed, franchisee input and participation will be welcomed, especially in the area of product regionalization.

New Markets for Company Stores

Leases for new company stores have been signed in four more states. These units which are currently in the architectural design stage or under construction are located as follows:

- Oklahoma—Lawton, Oklahoma City and Tulsa (two units)
- Louisiana — Baton Rouge,

Shreveport, Lake Charles and New Orleans (two units)

- Connecticut—Waterbury
- Nevada—Las Vegas (two units)

In addition, lots have been purchased in Merced and Victorville, California on which 12,250 square-foot, free standing units will be built.

Pizza Times

The *Pizza Times* is published on a quarterly basis by Pizza Time Theatre, Inc. The purpose of the newspaper is to inform, to motivate, to serve as a public relations tool, and, perhaps most importantly, to provide two-way communications about events affecting PTT.

If you have story ideas or news for the paper, or would like a story assignment please contact Suzie Crocker, Communications Manager, 1213 Innsbruck Drive, Sunnyvale, California (408) 744-7300.

Photos to illustrate your news are always welcome. Please send good black and white photos or very high quality color prints—polaroids are not suitable for printing.

The Pizza Times

Staff

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Art Director Diane Dudeck
Contributors ... Harryette Clark
Steve Dooner
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Randy Nelson
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Linda Sako
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Michael Kohl

Harmony's Hoedown All New Show

"Harmony's Hoedown" is the latest toe-tapping show created by the Entertainment Department for the Pizza Time Players. According to Mike Hatcher, Director of Entertainment, Chuck E. Cheese actually apologizes to Harmony Howlette in these newly animated skits. Now that's a twist for our favorite rodent!

Animator James Barnes adds that the skits continue in the upbeat country style with more contemporary musical selections. In addition to the new theme song "Pizza Time Hoedown," there's another original tune entitled "USA, USA!!" — an appropriate tribute to Pizza Time's nationwide growth.

And, of course, there is a beautiful new set designed by Animator Randy Nelson. It's a western town straight out of "High Noon" and it actually looks like it's disappearing into the sunset.

Harmony's Hoedown will begin appearing in stores where "Harmony Howlette's Wild West Show" has already played for six months. New stores opening through April 1982 will receive the Wild West Show first, followed by Harmony's Hoedown six months later.

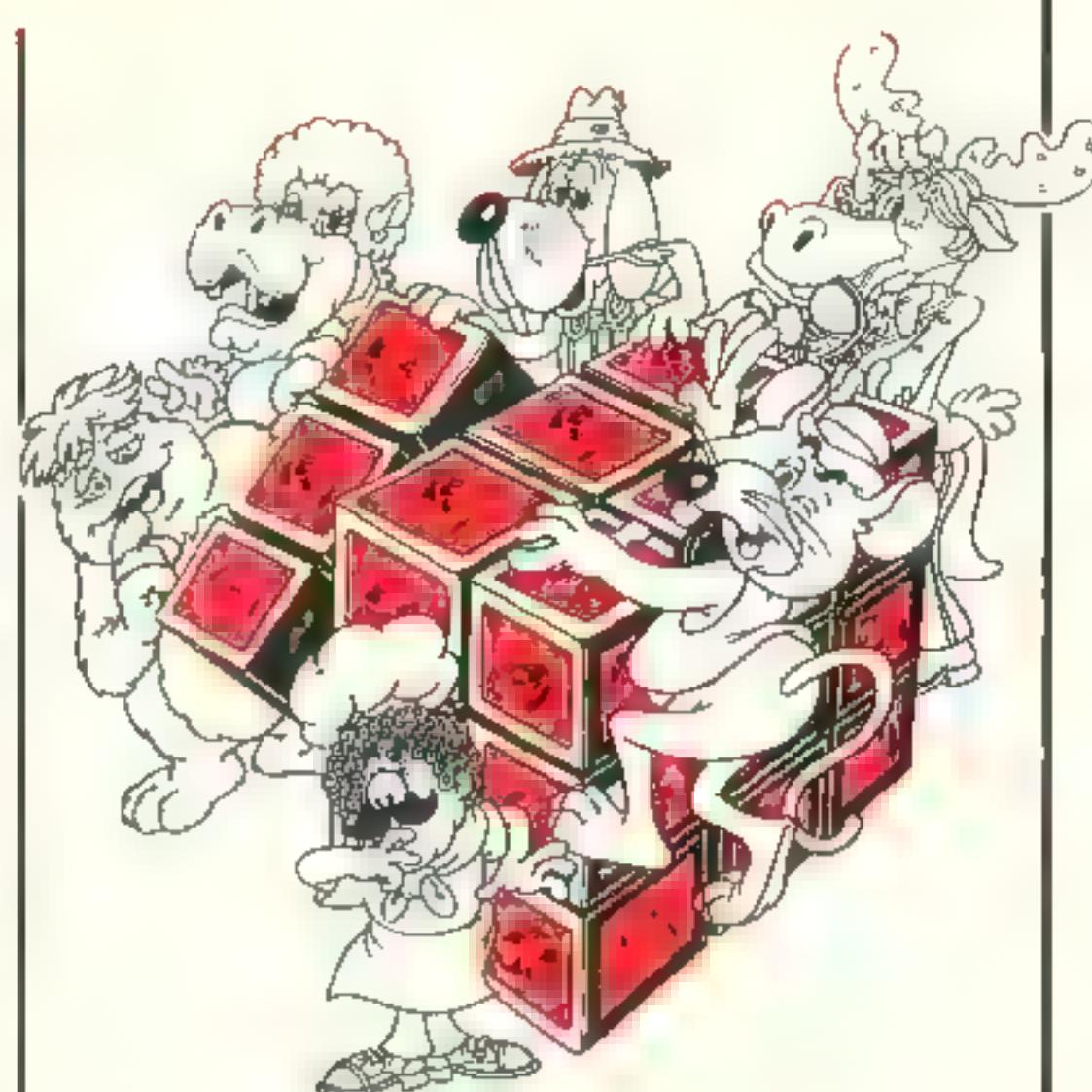


And then, romance fans, stay tuned for the return of the piggy from Paree, Madame Oink. Learn the real truth about Oink and a certain purple monster.

Christmas at Pizza Time Theatres

To celebrate the holiday season, participating Pizza Time Theatres will be offering hand painted, wooden Chuck E. Cheese tree ornaments for 49¢ with the purchase of any large pizza. The promotion is supported by three weeks of television commercials this month. In-store posters are also being used to promote the offer. The ornaments will be sold without a pizza purchase for \$1.49 in the General Store.

In addition to the ornament promotion, all stores have the Christmas music special on the Pizza Time Players skit tapes. This four-minute program which includes a medley of eight holiday songs can be played anytime at the store manager's discretion to add to the festive spirit in the theatre-dining room.



CHUCK E. CUBE

Upcoming Promotions

Promotions for the new year begin with Family Fun Days in January. Customers will be encouraged to come to Pizza Time Theatres on Mondays through Thursdays when they can "double their fun" by receiving double tokens. Chuck E. Cubes, a Pizza Time version of the popular Rubik's Cube, will be offered for only 99¢ with the purchase of a large pizza. The promotion will be supported by a three-week television buy.

February will be "Quality Food Month" publicized by a new television commercial stressing the care that Chuck E. Cheese takes in making pizzas with real cheese, fresh dough and 100% meat toppings. The new Chuck E. Cheese Fan Club for kids will be introduced in March during a three week television buy on children's programming. Free memberships to children under 12 will be offered plus a Chuck E. Cheese T-shirt with the purchase of a large pizza.

1982 Calendars

The "Chuck E.'s View of 1982" calendars promise to be Pizza Time's most popular promotion ever. The calendars, which contain over \$100 worth of coupons, were offered free with the purchase of a large pizza during November. They are also being sold in the General Store for \$4.95. The promotion was supported by a direct mail coupon.

Games Update

The latest games going into company stores include Atari's Tempest, Gremlin's Space Fury and Frogger, Exidy's Mousetrap, Nintendo's Donkey King, and Taito's QIX.

For Pizza Time's youngest customers, a new "playland" has been designed. The 3,000 to 4,000 square foot children's area now being installed in the Abilene and Las Vegas stores include ball crawls, punching bag forests, mazes, air floors, slides, hanging barrels and other play equipment.

Company stores opening after January 1982 will have scan coin sorters which count tokens and quarters simultaneously. Also being installed the first of the year is a new computer system to be used for game reports and summaries. A terminal to be placed in every store manager's office will be hooked into a PDP11 computer at the corporate offices. The system was developed by Bob Lundquist, Director of Games and Merchandise, and Steve Dooner, Games Administration Coordinator. Ken Welch, Western Regional Games Manager, is writing the program.

Convention Highlights

Pizza Time Theatre's first annual convention was September 11-13, 1981 at the Hyatt Del Monte in Monterey, California. About 500 franchisees, corporate employees and spouses attended the three day event which included Franchise Advisory Council meetings, an opening general session, eleven workshops and an awards presentation and banquet. The photographs highlight some memorable moments from the convention weekend.

Winners of the 1981 Annual Chuck E. Awards

The 1981 "Chuck E's" were the first annual awards to be presented by Pizza Time Theatre to franchise and corporate store operations for excellence in various categories. Listed

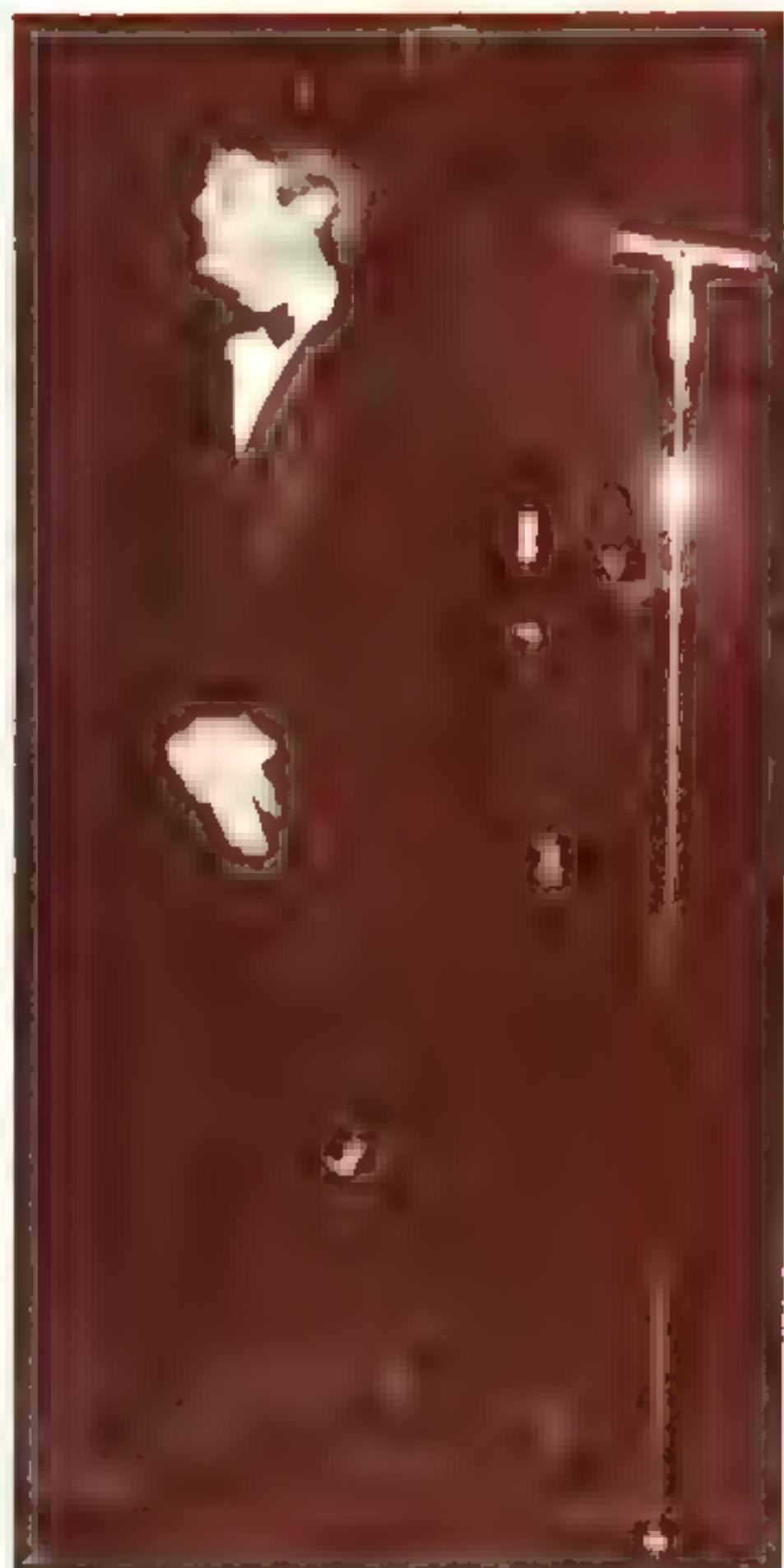
below are the winning stores, franchisees and corporate employees who were recognized at the Annual Convention in September.

Franchise Awards

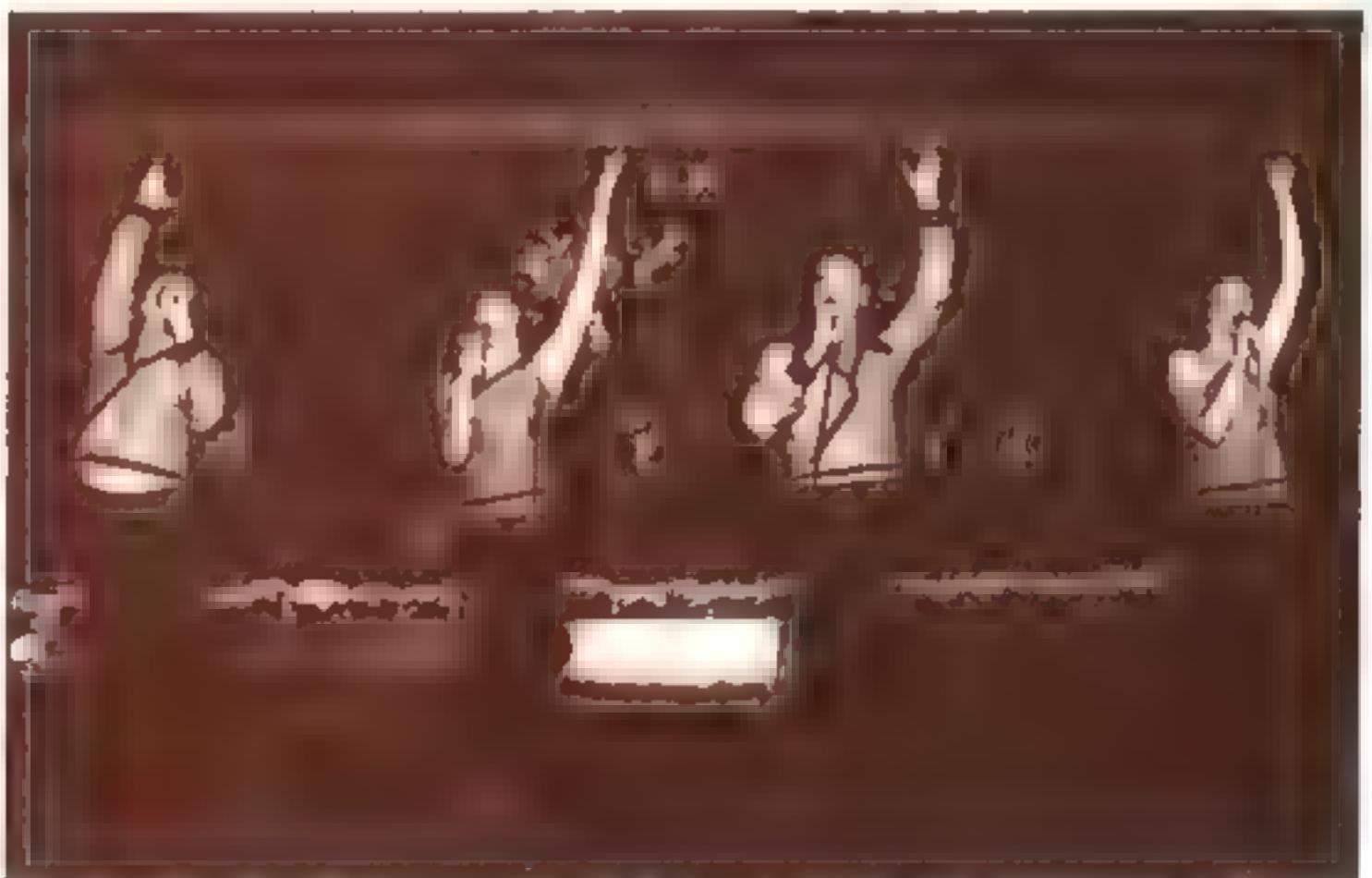
- Highest Single Week Sales Award went to Mike and Marian Ilitch of LCMI for their Westland, Michigan store
- Highest Average Sales Award went to Roy Taylor and Scott Miller of Computerized Animation, Inc. for the Sunnyvale, California store.
- Development Award was accepted by Larry and J. Lynn Rose of Ogden, Utah on behalf of Rocky Mountain Development.
- Marketing Award went to Pat Hopf and Dave Roberts of Family Entertainment Centers, Inc.
- Special Recognition Award was presented to Judy Murphy, Franchise Administrator of Pizza Time Theatre, Inc. by the franchisees
- Best Operations Award went to Mike and Steve Powers of Pizza Theatres Management, Inc., Scottsdale, Arizona

Corporate Awards

- Special Recognition Award was presented to Gene Landrum, Senior Vice President, Development
- Marketing Award was accepted by Bill Yule on behalf of the Fullerton, California store.
- Lowest Turnover Award was accepted by Tom Bouldin, District Manager, for District 3301 located in Texas.
- Development of New Stores Award went to Jerry Pate, Regional Manager, for opening stores in Florida
- Highest Average Sales Award went to Scott Nelson, General Manager of the Hayward, California unit
- Highest Percentage Profit Award was presented to Scott Moe, District Manager, for District 3205 located in the San Francisco East Bay area.



Don Marks emceed the Awards ceremony with wit and style



The Pizza Time Singers and Dancers delighted everyone at the Awards Dinner with their hour-long musical show



The proud winners of the 1981 Chuck E. awards: (left to right) Allen Strega, Steve Troike, Jerry Pate, Steve Powers, Gene Landrum, Larry Rose, Judy Murphy, Mike Powers, Marian Ilitch, Fred Clark, Mike Ilitch, Dave Roberts, Pat Hopf, Scott Moe, Tom Bouldin, Scott Miller and Dave Zitney



Pizza Time's creative team of Mike Hatcher, Kathy Wolf and Julie Kuman sharing the spotlight with Bob Lundquist (left) and Joe Keenan (right)



Tom Pogemiller (left) and Jack Atkins, franchisees for Central Illinois, enjoy Chuck E's Company



The corporate operations management team posing with Chuck E. Tux (left to right) Steve Troike, Gene Landrum, Jerry Pate, Roger Burke, Alan Rich, Allen Strega, Jerry Kenney, Keith Baker, Dave Zitney, Scott Moe and Tom Bouldin

Memories of Monterey



Members of Pizza Time's Marketing Department getting together at the Award Reception. Left to right: Irina Fura, Diane Decker, Pat Saquin, Sue Crocker and Leon Schubert.



Francesco, and his son, M. Memory series are taken from his
writing, written by Lucy Moberly, Mrs. A. Melville, Mrs. M. Burn and
Mrs. J. T.



Vicky and Clytie Keyes, left, visit with Donn and Frank Jorgeson, the Seattle area ranchers before the awards dinner.



Mr and Mrs Sam Hamra Jr, left and Mrs. and Mr. and Mrs. Amos, franchisees for Missouri, show you a copy of *Cracker F. T. Y.* at the annual convention.



and the *Indirect Possessor* (IPI) that is to be
Marked by the suffix *-om*.



Nolan Bushnell chatting informally with franchisees Steve Lamstein, Richard Berlin, Sam Hamra, Jr. and Clark Amos



Harryette Clark and Bob Courtnage from the Corporate Training Department presenting a diploma to Branchee Gary Harwin who dressed for the occasion



Franchisees from the Far West Region gathered together at a Franchise Advisory Council meeting



After a month of negotiations, the two sides reached an agreement on the Soko (work) front on 20 January 1945.

Third Quarter Earnings

Results of Company performance for the fourth quarter will not be known for several weeks but if they follow the trend of the third quarter numbers, Pizza Time Theatre, Inc. will have completed an outstanding year.

Third quarter 1981 revenues were \$9,552,000 with net income of \$735,000 (\$.17 per share) as compared with revenues of \$2,703,000 and net income of \$20,000 (\$.01 per share) for the third quarter of 1980.

Revenues for the 36 weeks ended September 6, 1981, were \$22,188,000 with net income of \$1,219,000 (\$.31 per share) compared with revenues of \$6,591,000 and net income of \$22,000 (\$.01 per share) in 1980.

Revenues from Company centers were \$7,387,000 for the third quarter of 1981, a 242% increase over the comparable quarter of the prior year. Revenues from Company centers were \$17,777,000 for the 36 weeks of 1981, a 213% increase over the comparable period in the prior year.

Revenues from franchise operations for the third quarter of 1981 were \$2,165,000, a 299% increase over the third quarter of 1980. Revenues from franchise operations were \$4,411,000 for the 36 weeks of 1981, a 383% increase over the comparable 1980 period.

Second Stock Offering

Chuck E. Cheese visited Wall Street again and carried off his second public offering of Pizza Time Theatre stock on November 11. The 1,331,659 shares were sold at \$24.50 per share netting \$24 million for the Company after expenses and fees. The capital will be used to develop new Company centers.

Initially only 1,131,659 shares were offered but the amount was increased by 200,000 shares due to demand for the stock. The offering included 900,000 shares sold by the Company and 431,659 shares sold by individuals.

The offering was managed by L.F. Rothschild, Unterberg, Towbin of New York City and Robertson, Colman, Stephens & Woodman of San Francisco.

TDLA's Signed



Territorial Development Letters of Agreement have been signed as follows:

Jon Andron and Mike Powers for seven units in West Texas; Rocky Mountain Development Corporation for eight units in Idaho, Montana, Wyoming and Utah; and Clement Chen for three units in Hawaii; Bill McLoughlin for ten units in upstate New York; and Murray Issadore for twelve units in the Philadelphia area. TDLA's have also been signed for three units in Little Rock and Fort Smith, Arkansas, and in Jackson, Mississippi.

1981 —

A Year of Fantastic Growth



Hats off to Chuck E. Cheese franchisees and all Pizza Time employees! If new stores open as planned the last weeks of December, Chuck E. will close the year with a total of 93 units operating in 20 states, Canada and Australia. The number of stores has more than tripled, in fact, almost quadrupled, in one year. The table below shows comparison figures for 1980 year end and expected 1981 year end.

	Expected Year-End 1980	Year-End 1981
Franchise centers	11	46
Company centers	14	47
Total centers	25	93
Number of states	9	20
International units	0	2

Congratulations to all Pizza Time Theatres for a banner year. Chuck E. and the gang are looking forward to an even bigger and better 1982.

Busy Quarter for Franchise Openings

Seventeen franchise units opened during October, November and December. LCMI opened three in Michigan: Warren in October, White Lake in early December, and Ann Arbor planned for December 30. Mike Maginnis' Beaverton, Oregon store opened the end of October, as did Phil Associate's Albuquerque store and Charter Management's Boulder, Colorado unit. Minnesota got their first taste of Chuck E. Cheese in mid October with Mirada, Inc.'s New Hope store. The first Canadian Pizza Time Theatre opened in Burlington, Ontario, October 15. Family Pizza Centers in Illinois

opened their Loves Park store in November and their Springfield location in December. The Seattle area got another Pizza Time Theatre in Federal Way in November. Pizza Theatres Management also opened a store in November in El Paso, Texas as did Family Entertainment Centers in Richmond, Virginia.

During December APCOA opened two more Ohio units in Columbus and North Olmstead while Prime Time Ventures opened in Bakersfield, California, and R.C. Schmidt opened in Milwaukee, Wisconsin in December.

Franchise Advisory Council

New officers and members of the Franchise Advisory Council were appointed at the Annual Convention in September. They are as follows: Chairman, Michael Illich of LCMI; Vice Chairman, Joseph B. Parker of Food Systems, Inc.; Secretary/Treasurer, Patrick Hopf of Family Entertainment Centers; and Members, Larry Rose of Rocky Mountain Development, and Al Moreno of MOW Enter-

prises. To provide continuity from the prior term, former Chairman Ed Roth will continue as a member of the Council. The bylaws were revised to reflect this change.

The council which met December 9 in Detroit will continue to meet on a quarterly basis to facilitate communications between the franchisees, the community and the corporation.

Report From Down Under

A telex from Australia arrived just in time to meet our printing deadline. Charlie Cheese reports the following news:

Grundy Leisure Proprietary Limited, the territorial Franchisee for Australia and New Zealand, has assembled an aggressive development schedule with the aim of opening one new restaurant in the region every two months.

The first restaurant in The Grundy's at Surfers Paradise Entertainment Complex on Queensland's sunny Gold Coast has proved to be a real winner and already plans are in hand for the start of construction work on the second restaurant soon after January 1.

After that, primary market sites for at least 32 more stores are anticipated.

In conjunction with the development plan, Grundy Leisure, a subsidiary of the Grundy organization, is compiling a masterplan which will provide the necessary management expertise to allow the business to expand and develop.

The acceptance of the first Charlie Cheese's Pizza Playhouse by the Australian public has been phenomenal.

Its location in the country's leading tourist resort has given millions of visitors to the city a taste of what they can look forward to in their home state very soon.

Because the Grundy organization's primary business is the television industry, Grundy Leisure is also in the process of developing animated and live action children's shows based on Chuck E. Cheese's Australian cousin, Charlie Cheese. Charlie is already well on the way to becoming a star in his own right in Australia with countless guest appearances on national television shows.



Good Ideas

The Tempe, Arizona store has recently implemented an Employee of the Month Club. Mary Harder, their first employee of the month, received a dinner for two at a local restaurant, a month's pass to a local health spa and had her name engraved on the "Big Cheese" displayed in the front of the store. According to Robin Scheit, Promotional Coordinator, the store uses promotional trade-offs with other local businesses as prizes and incentives for employees.

The Phoenix, Arizona Pizza Time Theatre has a special "Chuck E. Cheese Community Room" decorated with photos of events and activities involving Pizza Time and the community. They also display pictures of youth teams, and their trophies, other local sports news, and letters from kids and parents. They feel it's a good way to show the community that they really do care.



Chuck E. gets a kiss from little friend at Tempe, Arizona Pizza Theatre



Chuck E. congratulates young soccer player in New Hope, Minnesota



C.E.C. visits Tony Dorsett at Dallas Cowboys' training camp in Thousand Oaks, California

PTT Tempe, Arizona reports a cooperative effort with the local soccer club and Pop Warner Team to build a float for the Fiesta Bowl Parade in December. The 30-foot papier-mache sculpture shows Chuck E. reclining on a giant cheese wedge with a soccer ball in his hand and football carried in his tail. Chuck E. also participated in the March of Dimes Reading Olympics. In November the store ran a special lunch promotion and contest awarding a free lunch to the best entry telling "why someone in your office deserves a little special attention." Punch-a-lunch cards were distributed to businesses within a six-mile radius of the restaurant.

The New Hope, Minnesota PTT sponsored the first annual Chuck E. Cheese soccer tourney. The 85 teams involved included 1200 participants, ages 6 to 14. The tourney was so successful they plan to make it an annual event. Family Entertainment Centers' Rockville, Maryland store has been videotaped by the local P.M. Magazine television show for airing in the near future. Sparks, Nevada reports that Chuck E. is a regular visitor to St. Mary's Hospital in Reno. They also had a very successful fundraiser for the Sparks Chamber of Commerce.

In Arlington, Texas, Pizza Time recently had community involvement nights for both high school senior classes and college groups.

Starring the Stores



Winners of the 1st Annual Chuck E. Cheese Soccer Tourney in New Hope, Minnesota display their trophies



Guests enjoyed the poolside setting at the Tampa Carrollwood unit's grand opening party



Pizza Time Theatre's float won first place in the Capitola, California parade



The Pizza Time Players keep on truckin' in Tampa, Florida



C.E.C. takes a shine to Miss New Hampshire at party for Miss Teenager U.S.A. contestants held at Fort Meyers, Florida



Jasper meets Miss Teenage New Jersey at PTT Fort Meyers



Little girl shares a secret with Chuck E. at Tampa Carrollwood Villages store

They also had the Miss Texas Pageant coordinators and Miss Texas in for a fun-filled evening. Lee Slusher and Tim Hackrider, students at Texas Wesleyan College, are sharing the promotional coordinators' job in Arlington. Chuck E. Cheese from the Simi Valley, California store attended the Dallas Cowboys' annual dinner at their Thousand Oaks training camp just prior to the Cowboys' return to Texas. It's reported that Chuck E. had more requests for autographs than the Cowboys.

PTT Salt Lake, Utah has been doing a lot of group tours and 5 or 6 parties every week on Monday through Thursday nights. In Michigan, Chuck E. is quite a sports fan. He has been appearing at the Detroit Piston games and will be riding the zamboni at the Detroit Red Wings hockey games. On Halloween, Red Skelton posed for pictures with Chuck E. as did hundreds of costumed kids. Between them the Westland and Warren, Michigan stores have sponsored two volleyball teams and 3 hockey teams, donated 6 yearbook ads and 2 football program ads, and have made school fair donations with appearances by C.E.C.

The Santa Rosa, California Pizza Time participated in the 1981 Vintage Festival and kiddie parade held in Sonoma. Chuck E. was on hand to greet VIPs and, of course, thousands of children. PTT Citrus

Heights, California reports that when C.E.C. visited a local school's halloween carnival, he had a double—a four-year-old dressed in a miniature Chuck E. costume. The official Citrus Heights Chuck E. will be visiting the children's wards of the local hospitals during December. The Capitola, California Pizza Time won first place for their float in two local parades. They also ran a special "\$2 off" promotion on Monday nights for football widows and the kids.

More California news: the Salinas store reports Chuck E. has taken to the ice—he skated in the Monterey Bay Annual Christmas Ice Skating Show. Costa Mesa is off to a flying start with many school fundraisers and sponsorships of two winning soccer teams. The employees sold Super Bucks to friends and relatives with proceeds used to purchase a Christmas tree and trimmings for the elderly of the community. Costa Mesa's Chuck E. has also been appearing at local hospitals. Huntington Beach is doing a booming business in tours, community involvements and birthday parties. C.E.C. appeared in the Octoberfest parade and in Anaheim's Halloween parade, both events televised. Chuck E. will also help Santa in the local Santa Claus Lane parade.

The Hayward, California store is celebrating its first year anniversary in January. They report that

they have continually been among the top five company stores in highest weekly sales since their opening. The store is holding a contest among the employees to see who can create the best looking new friend for Chuck E. Is the prize a day on the town with Chuck E. Cheese?

Chuck E. Cheese has been busier than ever in Florida. Gulfshore Life Magazine photographed C.E.C. and the Fort Meyers store for their November issue. Chuck E. also hosted the Miss National Teenager Night and judged a local beauty contest. The Fort Meyers Little League adopted Chuck E. and flew him to the Florida Little League Championships where he appeared on several TV spots with the team. The Tampa Carrollwood unit entered a raft in the Rambling Raft Race in October, and C.E.C. and several employees participated in a tug-of-war for Fire Prevention Week.

Brandon held a "Wendy Wards" modeling pageant with over 55 small participants. A holiday fashion show for children was staged in the stores' Ice Cream Emporium, and Chuck E. and Jasper led the annual Santa Claus parade. The Jacksonville PTT was the scene of a beautiful baby contest sponsored by a local radio station. The store donated tokens, pizza passes, bibs and photos of Chuck E. to the prize winners.

THE PIZZA TIMES - DECEMBER 1981

(Volume 1, Issue 3)

Date of Origin: 1981

Archived: 7-11-12

Submission by Kathy H.

Version 1.0

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The Pizza Times

Volume Two, Issue Two

June 1982

NEW DIRECTIONS

Games Manufacturing Division Opens

The first "Chuck E. Roll" game manufactured by Pizza Time Theatre Inc. rolled down the assembly line and burst through a paper banner during the April 30th gala opening of the company's games manufacturing division.

A crowd of about 125 gathered to celebrate the launching of the new 35,000-square-foot facility at 1802 Shelton Drive in Hollister, California. Presiding over the ceremonies were Nolan Bushnell, chairman; Joe Keenan, president; and Bob Lundquist, games vice president.

Pizza Time recently acquired Pete's Woodworking Inc. of Morgan Hill, a cabinetmaking business which is now incorporated into Pizza Time's Hollister games manufacturing division. Pete Mirrione, founder of Pete's Woodworking has been named director of the new division. Currently staffed with 20 employees, the facility plans to manufacture up to 150 games a month for franchised and company-owned Pizza Time Theatres.



Mr. Keenan, in his introductory remarks, noted that in addition to building Chuck E. Rolls (target bowling games), the company will begin designing and manufacturing other non-video coin-operated games plus a new line of educational games for children ages 3 to 10. In addition, cabinets, play structures and other fixtures used in Pizza Time Theatres will be manufactured at the new Hollister plant.



Chuck E. Teams Up With C&W Advertising

Cunningham & Walsh, one of the top-ranked ad agencies in San Francisco and nationally, has been selected to handle advertising for Pizza Time Theatre, Inc.

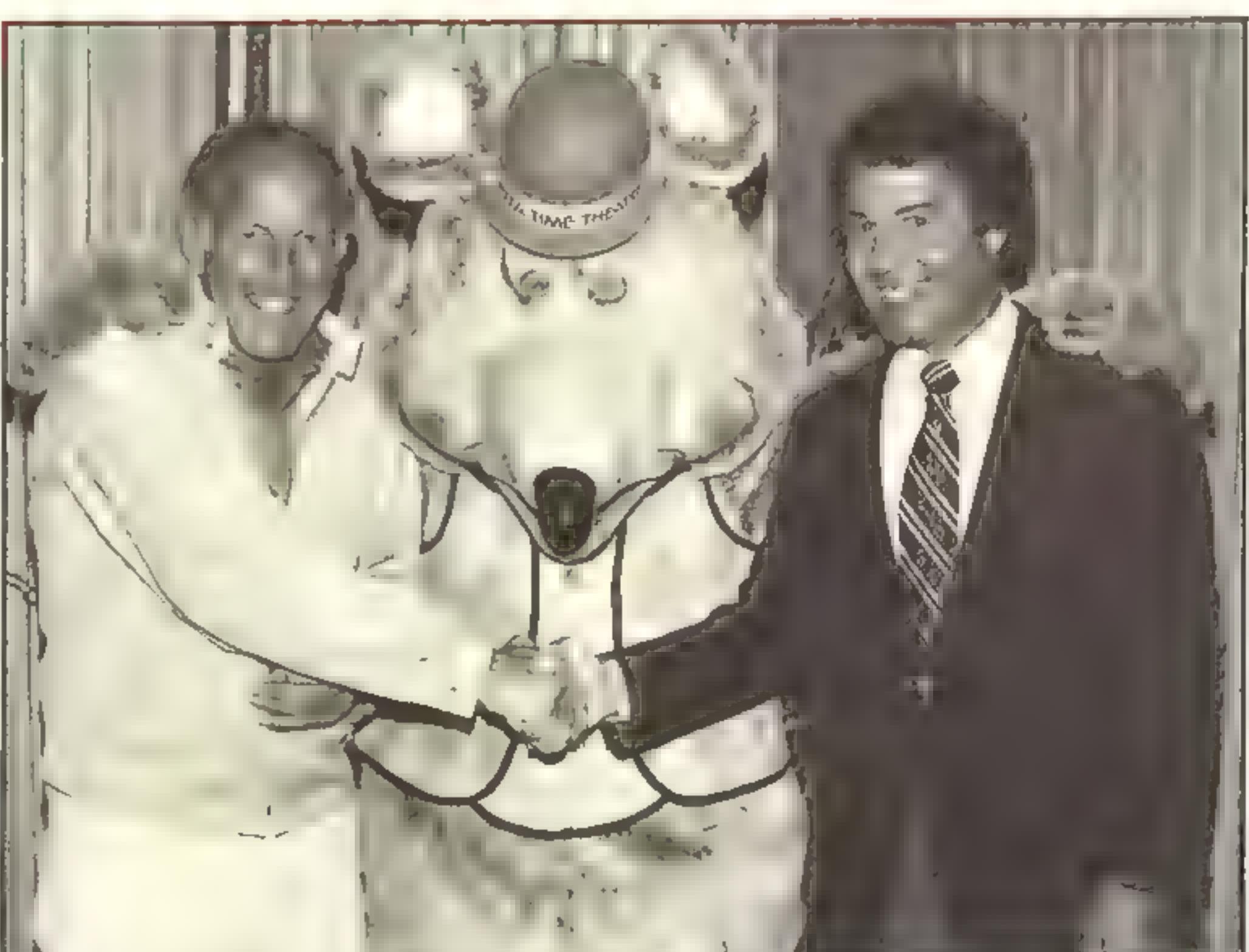
According to Pat Saign, marketing vice president, "C&W will be responsible for creative development and production, primarily in television advertising. After January 1, 1983, C&W will also be responsible for media buying."

After weeks of review and meetings with many agencies, C&W was selected from a group of three finalists. "We were impressed with their thorough research of our business, their understanding of our objectives, and their creative strategy," noted Saign. "They're already working on television plans for the August and September promotions, and we're looking forward to seeing some new direc-

tions in this area." The agency is also developing the 1983 advertising campaign, including new television commercials which will be previewed at the Annual Convention in October.

David O'Connor, C&W senior vice president is the agency's management supervisor on the account with John Mercer as group creative head. Michael Riley is the account supervisor and John Diaz the account executive.

Cunningham & Walsh is a national agency with other offices in Los Angeles, New York and Chicago. Clients represented in San Francisco include Northern California Toyota Dealers Association, Qantas Airways Ltd., The Bank of California, Basic American Food Company, and Metro-media Inc.



Dave O'Connor (left), senior vice president of Cunningham & Walsh, and Pat Saign, Pizza Time Theatre's vice president of marketing, get a congratulatory hug from Chuck E. Cheese.

Food Standards and Purchasing

The following report is written by Linda Sako, director of food standards.

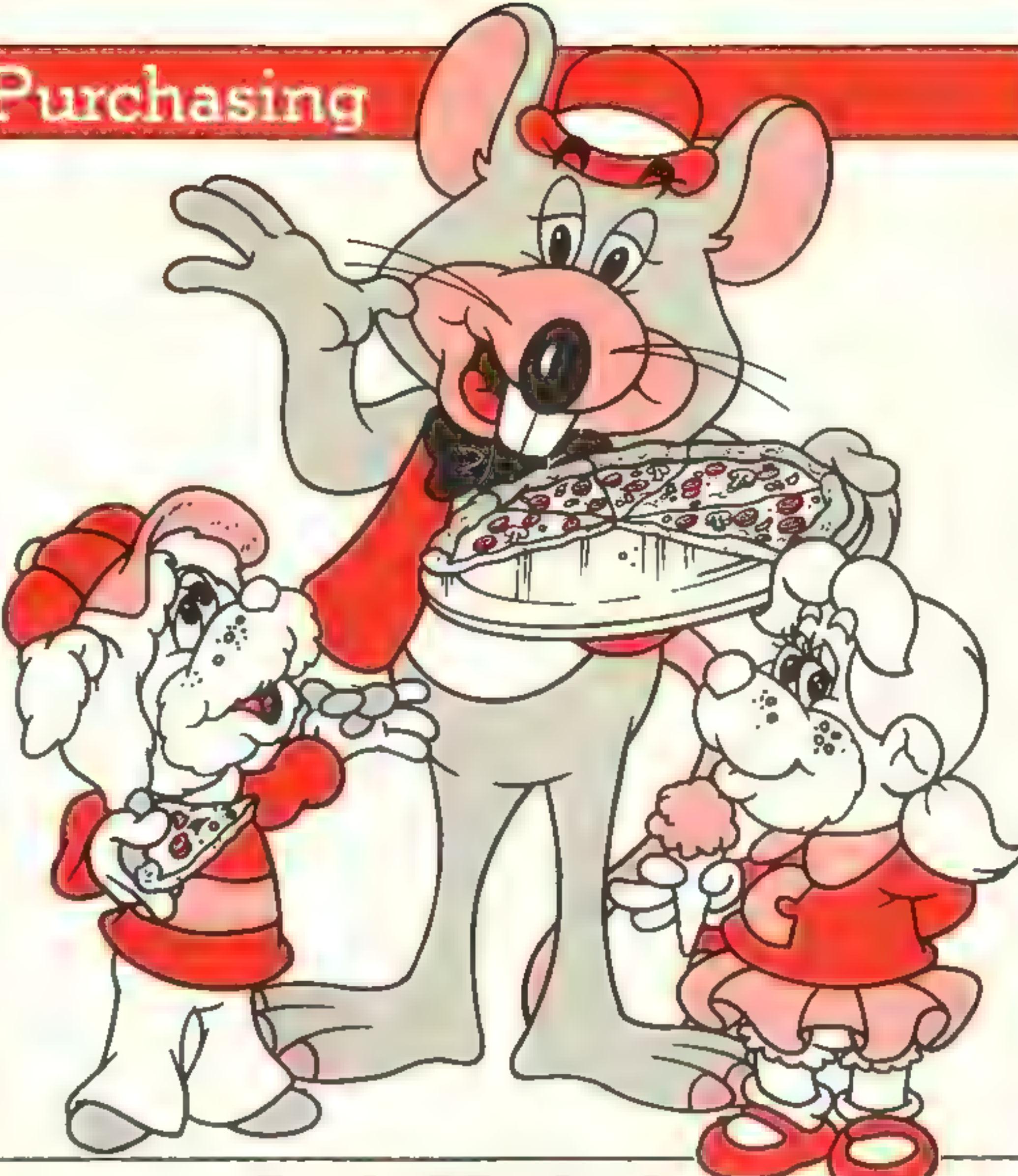
Wholesale prices in 1982 are remaining relatively stable. In order to maintain this, as well as create a degree of protection from any upcoming cost increases, the Food Standards Department is actively involved in the following areas:

- researching imported sources of major food products in the event of domestic shortages.
- increasing the number of approved brands for PTT specified products in order to utilize distributors' existing buying power.
- attaining freight-free pricing on most printed paper items, several meat products, canned goods, and condiments.
- contracting high-usage food products to maintain maximum availability and price protection.
- evaluating local sources for specified products to reduce certain freight costs.

Test Kitchen

The test kitchen plays a vital role in evaluating the performance and acceptance of products for PTT, Inc. Aside from ongoing development of new products and concepts, the test kitchen is used to upgrade existing raw products and preparation procedures. Particular attention is currently being paid to meats, salad bar condiments, salad dressings, sandwich breads, dough mixes, tomato products, pizza spices, and various preparation methods.

Some major projects currently in progress, and, in certain cases, in market tests, include a new salad bar manual, a proprietary dessert concept Chuck E. Cheese birthday cakes, regionalized pizza products, children's drink programs, and lunch entrees. Final details will be communicated directly to company and franchise operations. More surprises will be announced at the October convention!



Expanding Markets for Company Stores

Leases have been signed which will allow the development of 60 new units in 1982, bringing the total number of company-owned stores to 108 by year's end.

Watch for new Pizza Time Theatres in Gautier, Miss., Slidell, La., and Corpus Christi, Texas—all along the Gulf coast. Other new areas include Killeen, McAllen, Victoria and Tyler in Texas; Marrero, Shalmette and Bossier in Louisiana; and LaVerne, Calif., near Los Angeles. All these should be developed by year's end.



Jack Nichols Illustrator of Chuck E. Cheese

Jack Nichols, from whose talented drawing pen flow the illustrated Pizza Time characters, has recently joined the Company full-time as in-house illustrator and cartoonist. He had worked several years for Pizza Time on a free-lance basis and during that time contributed to such noteworthy projects as the award-winning 1982 calendar and the first annual report.

As the official illustrator of Chuck E. Cheese, Nichols' responsibilities include maintaining character fidelity and developing the characters' personalities visually. "Because Chuck E. and his friends are real to me, I can visualize them doing things that are appropriate to their personalities,"

explains Nichols. "While the characters are constantly evolving, at the same time we must maintain a consistency in all print material," he added.

Prior to joining Pizza Time, Nichols free-lanced as a commercial artist for numerous clients. Before that he was an illustrator/designer for Marriott's Great America theme park in Santa Clara, California. Earlier in his career, he was a senior designer for Walt Disney Productions in Orlando, Florida. A graduate of the Ringling School of Art in Sarasota, Florida, Nichols has lived in California seven years and currently resides in San Jose.

Pizza Times

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Photos to illustrate your news are always welcome. Please send good black and white photos or very high quality color prints—polaroids are not suitable for printing.



The Pizza Times

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Art Director Diane Dudeck
Assistant Art
Director Daved Garza
Contributors ... Judy Murphy
Randy Nelson
Linda Sako
Photography ... Jon Porter

Summer Promotions

The Chuck E. Cheese mug promotion will run in all participating Pizza Time Theatres for six weeks beginning June 21. Designed especially for children, the yellow molded plastic mugs with Chuck silkscreened on the side will be offered free with the purchase of a pitcher of soft drinks. The mugs will also be retailed for 99¢. A four week television buy, in-store coupons distributed prior to June 21, and point-of-purchase displays will support the promotion.

Baseball Hats

To build sales in August, Chuck E. Cheese baseball hats will be offered with the purchase of a large pizza and a salad. Additional hats will also be sold for \$1.98. This was our strongest promotion in 1981 and should be even more popular this year with a high quality, improved hat. In addition to a three-week television buy beginning August 2, there will be in-store coupons and posters.

Back-to-School Packs

Kids will be flocking to Pizza Time Theatres in September to get their Chuck E. Cheese back packs. The red and white canvas bags will be stuffed with Chuck E. Bucks,

birthday brochures, information on the Chuck E. Cheese computer program, and a coupon for the 1983 calendar. Supported by a four-week television buy and in-store poster this back-to-school item will be offered free with the purchase of a large pizza and a salad. Additional bags will also be available for \$1.98.

New Birthday Party Program

The new Chuck E. Cheese birthday party package is successfully underway in all the stores. For easier implementation, one upgraded and streamlined program has replaced the two birthday party packages offered in the past. The new package includes:

- Birthday party brochures containing all information and party price.
- Birthday party reminder cards which can be sent to Fan Club Members and other lists to encourage birthday party sign-ups.
- Birthday party invitations to be sold in packages of 12, available in the General Store.
- Birthday party display poster, a colorful permanent in-store



piece explaining the birthday party program.

- Birthday party sign-up cards for a free birthday drawing.
- Birthday party wall table to serve as a display center for all birthday promotion materials.

In addition to this complete package of materials, a free birthday cake offer to parties of six or more on Monday through Friday, 11 a.m. to 4 p.m., is being implemented. The cakes will be available in most locations by mid-July. The cake offer, as well as the Monday-Thursday double tokens, is planned as an incentive to increase weekday birthday party business.

Happy Birthday Chuck E. Cheese!



The big C cuts one of the four birthday cakes, featuring frosting pictures of all his friends, at the San Jose (Cupertino), Calif. store.



Donna Clark, Miss Redwood City, presented Chuck E. Cheese with the official proclamation of "Chuck E. Cheese Day" in 1982.



In El Cajon, tuxedo-clad Chuck E. Cheese poses with store general manager Roger Payne (second from right) and promotional coordinator Jan Boyd (far right) as he greets party guests. Included are Guy Newman (far left) of the San Diego Soccers; Mr. and Mrs. Kenneth McClain of the El Cajon Chamber of Commerce (back row, left); Mayor John Reber, and winners of East County junior beauty pageants.



Chuck E. received an Eastern Onion singing telegram on his birthday in Plantation, Fla. from the mayor and chamber of commerce.



Banjo players entertain visitors at the Sacramento, Calif., Arden Way store.



Easy Perez of the San Jose Earthquakes soccer team stopped by to wish Chuck E. a happy birthday at the San Jose, Calif., Colt store.



Chuck E. greets young fans as he arrives by fire truck at the National City, Calif., Pizza Time Theatre. Promotional coordinator Dan Kelley won the grand prize in Southern California for his efforts in making Chuck E.'s birthday a success in his store.

Chuck E.'s Champions-Incentive Program

The Chuck E.'s Champions incentive program is underway in all company stores. Run in conjunction with Coca-Cola, the goal is to increase sales by suggesting additional items to the customer at the time of purchase. Everyone's at work improving their suggestive selling techniques. Quarterly prizes are awarded for the bartender and cashier in each district who are the most successful in this program.

The following stores are making great strides: Winterpark, Tampa (Fowler) and Tampa (Villages) in Florida; Modesto and Lake Forest in California; Las Vegas; and San Antonio (Military) and Euless in Texas.

The Franchise Advisory Council has endorsed the program. Those franchise stores wanting to implement the program should contact their Coca-Cola representative.

Winners



CHUCK E.'S PRIDE...The Loves Park, Ill., Pizza Time Theatre franchised by Family Pizza Centers North, Inc. won the first quarter 1982 Chuck E.'s Pride Award for outstanding operations. Don Roush, Franchise Department midwest representative (back row, second from right), presented the award to store manager Scott Hartman, the management team and crew



Marc Black of the Wardrobe Department uses an electric glue gun to fabricate snouts for the Beagles.



Mechanical assemblers Barry Magsanay (left) and Rich Ortiz working in the final assembly area on Cyberamics destined to become Jasper T. Jowls.

Pizza Time's Magic Workshop

Like Santa's workshop, Pizza Time Theatre's new manufacturing facility must seem like a delightful fantasy world to any child who happens to peek in. Located just a few blocks from the corporate offices in Sunnyvale, the plant produces the Pizza Time Players, cabaret characters, Cyberamics power supply units, character cosmetics, video order call-out systems, and token dispensers.

A multi-talented production crew of 70 employees works in two shifts meeting the ever-increasing need for the Pizza Time Theatre Cyberamics. Production is now close to 20 complete systems a month. A system consists of the Pizza Time Players and at least one lounge or cabaret character. Lounge characters such as "The King" can be produced at the rate of one per day.

Manufacturing is under the direction of John Impson, vice president of Cyberamics products. Ed Wartena is the manufacturing

manager. Doug DeAnda supervises the day shift of 30, Tom Shaver is in charge of the 16 swing shift employees and Kathy Wolf, cosmetics supervisor, is in charge of the Wardrobe Department, where 20 employees meticulously hand-sew and assemble the costumes. Also in the Wardrobe Department is Jul Kamen, prototype specialist, who, along with Kathy, designs new attire for the characters, such as the new look coming for the Warblettes. Leads in cosmetics include Michele LaVoie in cutting and subassemblies, Jo Ellen Ervin in final assembly, and Stephanie Langley in final cosmetics and replacement parts.

Chuck E. and his friends begin life in the factory as just a base torso and shoulder plate. Head and arm assemblies are added next, followed by the solenoid board and pneumatics, and finally, the cosmetics.

Work on the printed circuit boards, used on the Cyberamics

control units, and other electronic assembly work is performed by Jane Jones and her crew. The electro-mechanical group, with leads Chris Cutts on days and David Robinson on swing shift, construct the power supply units and install the control panels and tape players used to bring the Cyberamics to life.

Barry Riddle, power rack final test lead, insures that the control unit for the characters is functioning properly. He also records the store's copy of the skit tapes—which contain the music, voices and movement commands for the Cyberamics—from the master tapes produced by the Animation Department.

When a character is completed, Doug Wolf, mechanical test lead, and his crew put it through an extensive test series using the "Doctor Dux Diagnostic Tape," a special program that activates each movement on a character in sequence to be sure everything works properly. At the same time,

Chuck E.'s Challenge

Executive vice president of operations John Scott has been challenging store managers to reach mutually agreed upon sales volume figures within a specified length of time.

Presently, Scott, Jerry Kenney, director of store operations, and the regional directors will be going around presenting the awards to last quarter's winners.

New Awards for Calendar

The 1982 Chuck E. Cheese calendar continues to win impressive recognition for the Graphics Department. Recent Achievements include the Award of Excellence in Specialty Advertising from the San Francisco Advertising Club's 23rd Annual Cable Car Awards; first place, sales promotion, in the Los Angeles Advertising Women's 36th Annual Lulu Awards competition; and first place awards in both sales promotion and specialty advertising from the American Advertising Federation's Best in the West Awards.

the characters receive a "tune-up," where individual adjustments are made to insure a smooth operation.

Because the rapid growth created a squeeze on room in the manufacturing building, some assembly work is done in the nearby distribution center. New store ship-kits are assembled there by Danny Vasquez. These are the accessories that accompany Cyberamics when they're shipped out. The kits include mounting hardware, the sound system, the backdrop, the character test unit, and wall flags. Nelson Snowball, also in the distribution center, builds the flood and spotlight assemblies used to theatrically light the skits.

Despite all the different steps in getting the Pizza Time Players, the Beagles, Dollie Dimples and all the other Cyberamics to a new unit, the manufacturing crew has never missed a production deadline. "We take pride in the fact that we've never missed a store opening," says Doug DeAnda.

Franchise Openings

Twelve franchise units opened during May and June. ETR Inc. opened Pizza Time Theatres in Akron and Cincinnati, Ohio, in May. In June, ETR opened three more locations in Mentor and Cincinnati, Ohio and Pasadena, Texas.

Okemos, Michigan got its first taste of Pizza Time Theatre when Little Caesar Enterprises opened a unit in May. Mirada Corporation opened two Minnesota locations in Blaine and Maplewood during June. Also opening in June were Family Entertainment Centers' Springfield, Virginia, unit; HAV Enterprises' St. Peters, Missouri unit; and Little Caesar Enterprises' Southgate, Michigan, and Fort Wayne, Indiana, locations.

New Franchise District Director

The franchise district director program has been expanded by the addition of Rhobie Grogan, formerly a faculty member of Chuck E. Cheese's University. Grogan will be the midwest representative for the company with franchise owners. She joins district directors Jim Musgrove, Don Roush, Sue Schaller and Ken Wagener in the Franchise Department.



Jasper listens intently as Tim Gartner of the San Francisco Chronicle interviews Nolan Bushnell following the first annual shareholders meeting in San Jose on April 28.

First Annual Meeting Big Success

Chuck E. Cheese himself was on hand to greet the shareholders attending Pizza Time Theatre's first annual meeting on April 28 at the Tully Road center in San Jose, California.

Of the 125 shareholders at the meeting, about 12 were children, and appropriately so since 30 percent of the Company's stock held in an individual's name is owned by children.

On the meeting agenda was the election of the Board of Directors, the approval of the 1982 employee incentive stock option plan, and the approval of the 1982 nonstatutory stock option plan. The formal business was followed by a 30-minute question and answer session. Afterwards the shareholders were invited to tour the 30,000 square foot center and Chuck E. Cheese's University.

First Quarter Earnings

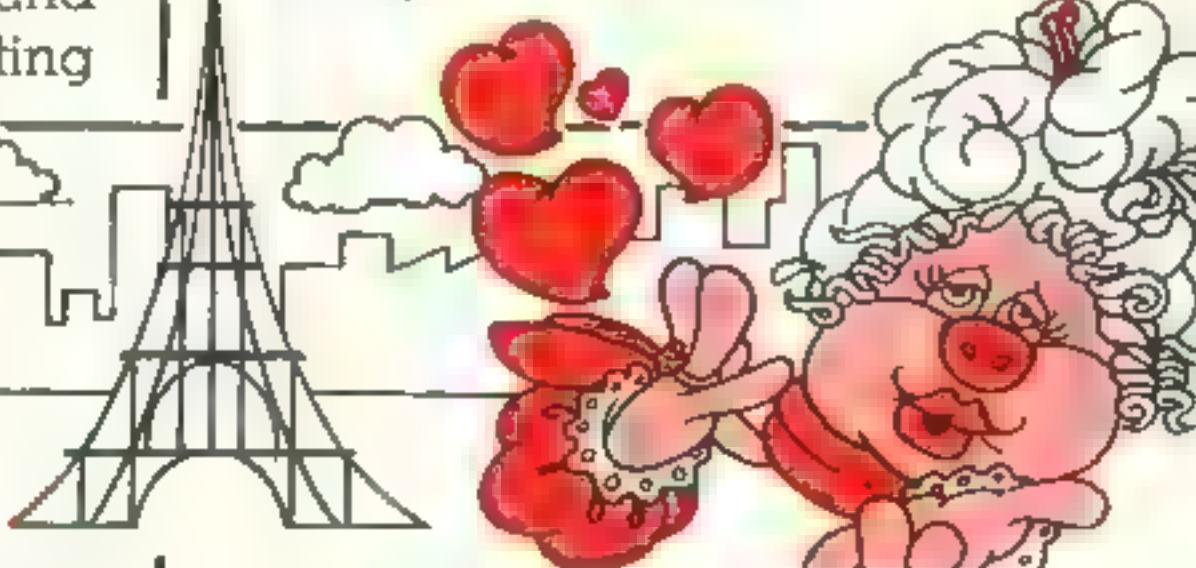
Revenues for the first quarter ended March 21, 1982 were \$17,199,000 compared with revenues of \$5,355,000 for the first quarter of 1981. Net income advanced 1,227% to \$1,659,000 (\$.28 per share) from \$125,000 (\$.04 per share) reported in the first quarter of 1981.

Revenues from Company centers were \$14,752,000 in the first quarter of 1982, a 210% increase over the comparable quarter of the prior year. Revenues from franchise operations were \$2,447,000, a 307% increase over the comparable 1981 quarter.

J.F. Keenan, President of the Company, stated that "The increase in revenue from Company centers and franchises was primarily due to a greater number of centers in operation and increased average revenues per center." Net income increased primarily as a result of increased revenues and the fact that corporate operating

and overhead expenses have not increased at the same rate as overall corporate revenue. In addition, results for the first quarter of 1982 included net interest income of approximately \$598,000 from the temporary investment of proceeds from a November 1981 public offering. Results for the first quarter of 1982 also included a tax provision of approximately \$781,000. There was no tax provision in the comparable 1981 period. Earnings per share did not increase at the same rate as net income due to a greater number of shares outstanding as a result of two public stock offerings in 1981.

As of the end of the first quarter of 1982, Pizza Time Theatre had 100 centers in operation, 50 Company centers and 50 franchised centers, as compared with 16 Company centers and 12 franchised centers at the end of the first quarter of 1981.



fully equipped eight-track recording studio.

In other animation news, Madame Oink will be returning soon in all-new skits featuring musical visits to exotic places the world over. New birthday songs are also on the way, along with a brand new special.

Animation News

The Animation and Entertainment Department is expanding this summer into larger facilities at corporate headquarters. The main animation studio will be remodeled to add room for special projects, while a smaller studio is being built for use as a working developmental cabaret and lounge. Also scheduled to open soon is a

Road Review

In an effort to expand communications between the Pizza Time Theatre Marketing Department and franchise groups, Don Schulte, franchise marketing manager, has introduced the Marketing Road Review, a quarterly update designed to review the most common questions and concerns among franchises. It also provides insight about past promotions, sales trends, customer profiles and other marketing information.

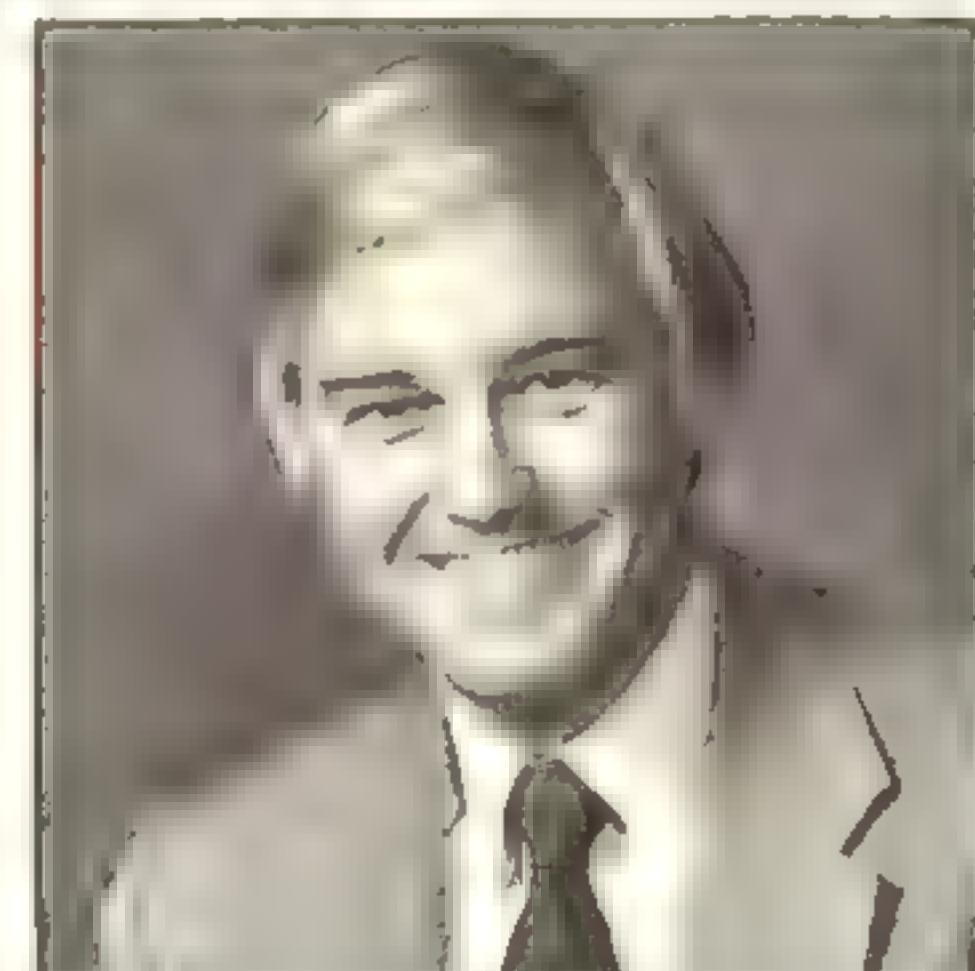
In addition, informative outlines are now available on grand opening strategies, tours, incentive programs, community involvement nights, fundraisers, group sales programs, and the birthday hostess program. To obtain copies, contact Nancy Gilbaugh at the corporate office (408) 744-7300.

In other franchise news, the Fremont, Calif., and Monroeville, Pa., stores have won a special award for outstanding achievement in the celebration of Chuck E. Cheese's fifth birthday. The Fremont store had "The Big C" arrive in a helicopter.

Also, special awards are being presented to franchise stores that do an exceptional job in implementing corporate promotions.

TDLA's

Territorial Development Letters of Agreement have been signed with Roger Groh for the development of four units in Westchester County, New York, and with John Corbin for the development of two units in Yakima and the Tri-Cities, Washington.



Randall L. Pike

Pike Named Finance Chief

Randall L. Pike has been named senior vice president and chief financial officer of Pizza Time Theatre, Inc. According to president Joseph F. Keenan, "With his extensive background in the restaurant and food industry, Mr. Pike will make a valuable contribution to the continued success of our growing business."

Pike was formerly senior vice president and chief financial officer of Far West Services, Inc. of Irvine, California, a subsidiary of W.R. Grace. Before that he was president and chief operating officer of R-Lynn, Inc. of Omaha, Nebraska, a chain of fast food restaurants. He

also served as vice president of finance of Fairmont Foods Company of Chicago. Pike, 45, has a management degree from Boston University.

Operations Outlook

by John Scott, executive vice president of operations

We all know that Pizza Time Theatre is a creative company with a strong concept. This is not enough. Pizza Time Theatre must also be a strong operating company, and we have the ability to be just that.

It is our goal to be the top operating company in the industry. How do we accomplish this goal? We begin by insisting on professionalism on the part of all our managers, and accountability of all our people. We look to our managers to communicate the attitudes of professionalism and accountability, and to develop,

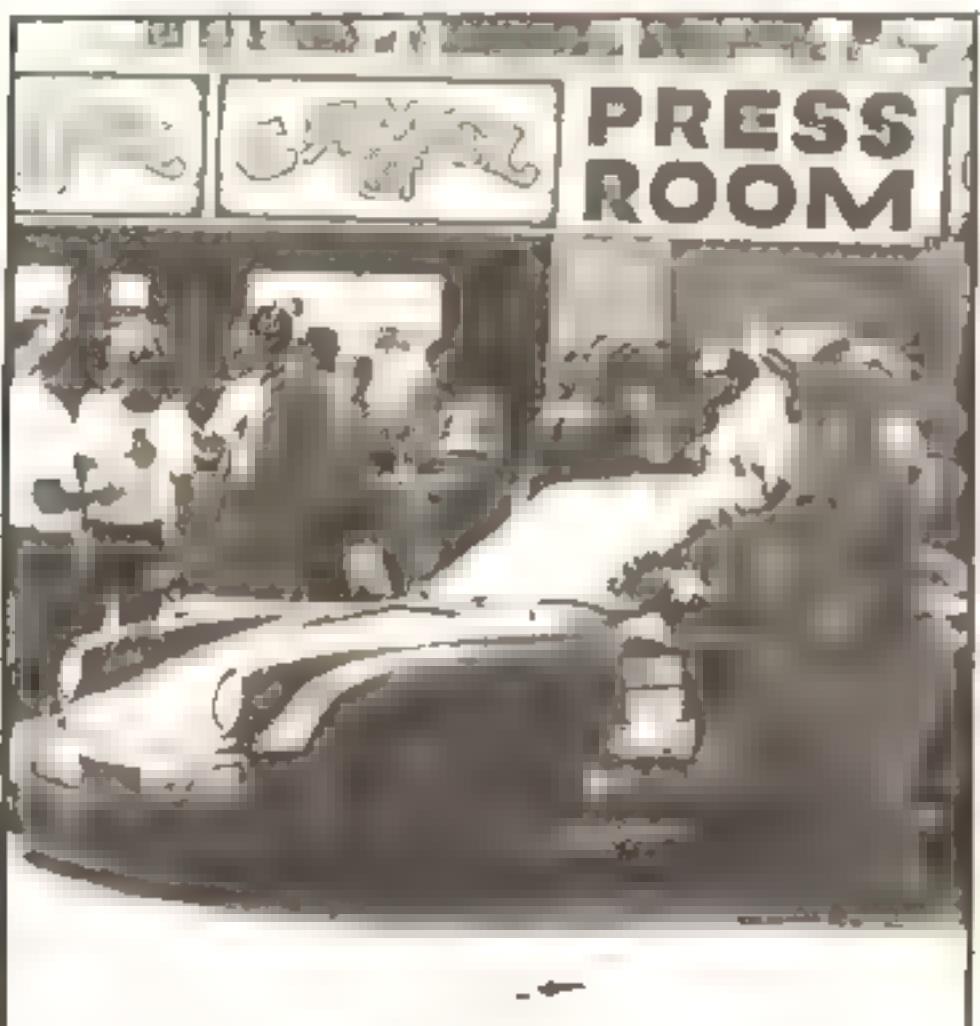
train and motivate their people. Management must provide the motivation and incentive needed to get the job done—and done well.

As I have stated before, we must always do the simple things exceedingly well. Our customers are the key to our future success. We must consistently provide quality food, service, cleanliness and entertainment. When every employee of Chuck E. Cheese can take obvious pride in his accomplishments and his company, we will have realized our goal.

Let's make "1982, the Year of the Store Manager" our best year ever from an operations standpoint.



Vicki Smith, top woman driver in the Sebring Endurance Race in Florida, meets the "Big C" in the pit area



Chuck E. wipes the windshield of his Pizza Time Porche 911 at the Sebring Endurance race. The car is owned by Ft. Myers, Florida Pizza Time Theatre manager Paul Sabin



Pizza Time Players get their sea legs for a ferry ride to Angel Island in San Francisco Bay. The trio cheered on runners participating in the 11th annual Guardsmen charity event held on the island.

Starring the Stores



Chuck E. visited the bedside of seven-year-old Misty Snyder in Fort Worth Children's Hospital. The young Arlington, Texas resident had been in a coma five weeks but she responded to Chuck E's presence



Senator Thomas Eagleton of Missouri (second from right) attended the opening of the Springfield Pizza Time Theatre, the first to open in the "show me" state.



Eddie Johnson, Pittsburgh Penguin hockey coach, congratulates Chuck E. Cheese from the Monroeville, Pa. Pizza Time on winning "score-O" at a recent hockey game. The \$300 prize was donated to Children's Hospital of Pittsburgh



Look who is manning the signal board at the Sebring Endurance Race last month in Florida



Chuck E. "clowns around" at a parade in Las Vegas, Nevada



Chuck E. visits a classroom in Upland, California

Residents of the Mt. Park Convalescent home in Bakersfield, Calif., enjoyed Chuck E.'s appearance at a Heart Association benefit



The Tucson, Arizona Pizza Time donated discount coupon books for the local zoo's fund-raising effort to purchase Shabu, a baby elephant



The Upland, California Pizza Time Players were a special attraction in the Ontario Centennial Celebration parade

THE PIZZA TIMES - JUNE, 1982

(Volume 2, Issue 2)

Date of Origin: 1982

Archived: 7-16-12

Submission by Kathy H.

Version 1.0

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The Pizza Times

Volume Two, Issue Three October 1982

FULL SPEED AHEAD

Second Annual Convention Opens in Hawaii

Pizza Time Theatre's second annual convention opens Friday October 1 in Maui, Hawaii. The theme for the four-day meeting is "Full Speed Ahead." Chuck E. Cheese, as host of the convention appears in skipper's costume, both on the convention logo and in person, at various activities.

About 500 franchise owners, corporate employees, and vendors plan to attend the meeting held at the 720-room Marriott Hotel on Kaanapali Beach.



The convention kicks off with an opening reception Friday evening on the poolside patio. Saturday's

program begins with a breakfast followed by the opening general session, which includes the Full Speed Ahead straw hat salute, a 1983 marketing plan, and a presentation of the new advertising campaign by Chuck E. Cheese and West Advertising Agency Executive Vice President Jim Scott. President Jim Koenig and Chairman Nellie Burchell will speak at the luncheon. In the evening, Chuck E. Cheese's Annual Council meeting concludes the morning activities.

New innovations in Chuck E. Cheese's children's games, Cupcakes and pizzas will be displayed in the Chuck E. Cheese's New Product Expo on Saturday afternoon. Sunday morning and Monday morning.

Festivities Saturday evening include a luau complete with a traditional pig roast, dancing and a Polynesian review.

Sunday's breakfast is followed by panel workshops on real estate multi-unit management development, multi-unit controls and product coordinators. A vendor information exhibit will be open during the afternoon and evening.

Monday's program begins with a breakfast followed by panel workshops on James' customer service, local marketing concepts and the material movement control system. All workshops will be recorded and copies of the transcripts will be available to franchise owners after the convention.

The closing day ceremony Monday evening includes the presentation of the annual Chuck E. Awards and a musical review by the Pizza Time Singers and Dancers.

For spouses there are two workshops on Saturday featuring historic Hawaiian costumes through contemporary fashions. Kaanapali Beach offers swimming, sailing, windsurfing, sunbathing and shopping in town by Waters Village. Shuttle buses from the hotel to Lahaina, the historic whaling town, are regularly. Reservations for tennis and golf may be arranged at the Pizza Time Specialty Desk.



Convention Schedule

Friday, October 1, 1982	
1 Welcoming Reception (Poolside)	7:00 p.m.
Saturday, October 2, 1982	
2 Breakfast (Kaanapali Ballroom)	7:30 a.m.
3 Opening General Session "Marketing 1983"	8:30 a.m.
4 Regional Franchise Council Meetings - East (Salon I) - Far West (Salon II) - Midwest (Salon III) - Southwest/Mountain (Salon IV) - Southeast (Salon X)	11:00 a.m.-2:00 p.m.
2 Fashion Show Luncheon (Makai Gardens) "Hawaii's History-Making Women" (1782-1982) (Kaanapali Ballroom)	11:30 a.m. 12:30 p.m.
3 Chuck E. Cheese's New Product Expo (Presidential Suite 9014)	2:30 p.m.-6:00 p.m.
1 Hospitality Hour (Poolside) Hawaiian Ceremony	7:00 p.m.
1 Luau Dinner and Polynesian Review (Makai Gardens)	8:00 p.m.

Sunday, October 3, 1982

1 Buffet Breakfast (Poolside) 7:00 a.m.
2 Chuck E. Cheese's New Product Expo
(Presidential Suite 9014) 9:00 a.m.-11:00 a.m.

3 Panel Workshops 9:00 a.m.-11:00 a.m.
Panel A Real Estate 9:00 a.m.-11:00 a.m.
Panel B Multi-Unit Management

Development 11:30 a.m.-1:30 p.m.
Panel C Multi-Unit Controls 11:30 a.m.-1:30 p.m.
Panel D Group Coordinators 2:30 p.m.-7:30 p.m.

1 Vendor Information Exhibit (Kaanapali Ballroom)

Monday, October 4, 1982

1 Buffet Breakfast (Poolside) 7:00 a.m.
2 Panel Workshops 9:00 a.m.-11:00 a.m.
Panel E Games 9:00 a.m.-11:00 a.m.
Panel F Customer Service 11:30 a.m.-1:30 p.m.
Panel G Local Marketing Concepts 11:30 a.m.-1:30 p.m.
Panel H Material Movement Control System 2:30 p.m.-6:00 p.m.

3 Chuck E. Cheese's New Product Expo
(Presidential Suite 9014)

4 Hospitality Hour (Poolside) 7:00 p.m.
5 Awards Dinner (Kaanapali Ballroom) 8:00 p.m.

¹All attendees invited ³Franchisee and corporate participation
²All spouses invited ⁴Franchisee participation.

Judy Murphy Convention Coordinator



Judy Murphy with Chuck E. Cheese

This year's convention wouldn't have happened without a lot of hard work from many individuals, especially Pizza Time's franchise administrator and convention coordinator Judy Murphy.

Judy started working for a convention site in August 1981 after being assigned to the then unopened Chuck E. Cheese in Atlanta. It was the day she was assigned that it was determined she would be the one to coordinate the first Pizza Time's convention. It was a difficult task, but Judy Murphy did a great job.

The first convention was held in the Atlanta area, specifically at the Atlanta Motor Speedway. The convention was a success, with many franchisees attending and making new contacts.

The second convention was held in the Atlanta area, specifically at the Atlanta Motor Speedway. The convention was a success, with many franchisees attending and making new contacts.

The third convention was held in the Atlanta area, specifically at the Atlanta Motor Speedway. The convention was a success, with many franchisees attending and making new contacts.

The fourth convention was held in the Atlanta area, specifically at the Atlanta Motor Speedway. The convention was a success, with many franchisees attending and making new contacts.

helped with the graphics requirements, while Jack Nichols, Pizza Time's senior illustrator, created the distinctive commodore Chuck E. logos.

Gayle Osiek and Jane Johnson headed the hospitality committee. Jane also was in charge of the spouse program and Gayle coordinated the vendor information exhibit. Suzie Crocker handled public relations and came up with the theme "Full Speed Ahead." Bob Coltrane and Connie Steward coordinated the workshop and planning session activities. Ken Wippler scripted the emcees presentations.



A very special and fun news item was the Warhol Department's participation in the Atlanta Motor Speedway and tourist festival. Chuck E. The mascot was designed by Linda Furbairn with a character by Lynn Ervin. To assist Chuck E. in his participation of warhol's activities, Kenny Higginbotham, Kenny

hoped to be responsible for putting his warhol's artwork together. Judy found the experience an exciting challenge. Fortunately, all the convention committee people were very cooperative talented and supportive."

Lawsuit Settlement Worth Estimated \$50 Million

Pizza Time Theatre, Inc. won an estimated \$50 million in the settlement of its two and a half year lawsuit with Brock Hotel Corporation and ShowBiz Pizza Place. The settlement, announced in June, calls for the granting of a license to Brock and the payment by Brock and ShowBiz of \$750,000 in a lump sum cash payment plus monthly percentage payments on the gross sales of the first 160 units of ShowBiz Pizza Place.

The percentage payments will

be paid at the rate of 1 1/2% for the first six years, 1 3/4% for the next four years, and 2 1/2% for the next four years for a total of 14 years on each ShowBiz store.

ShowBiz Pizza Place currently has over 70 units in operation. If the 160 unit level is reached, it is estimated that Pizza Time will receive approximately \$1.5 million per month from ShowBiz. Pizza Time estimates that this settlement could be worth over \$50 million over the next 14 years.

This settlement arises out of a franchise agreement between Brock Hotel Corporation and Topeka Inn Management, in which it is a franchisee of ShowBiz Pizza Place. Brock terminated its franchise agreement with the Pizza Time Theatre franchise in 1980, after which it started a franchise covering the midwestern and southern United States.

Brock terminated its franchise agreement with the Pizza Time Theatre franchise in 1980, after which it started a franchise covering the midwestern and southern United States.

and go into the same business as ShowBiz Pizza Place. When Brock gave notice of the termination, Pizza Time Theatre immediately filed suit.

In September 1981, a partial trial of the case was held in which it was determined that certain Brock defenses to this case would not be allowed. Thereafter the parties entered into extensive negotiations which resulted in this settlement.

Pizza Times

The *Pizza Times* is published on a quarterly basis by Pizza Time Theatre, Inc. The purpose of the newspaper is to inform, to motivate, to serve as a public relations tool, and, perhaps most importantly, to provide two-way communications about events affecting PTT.

If you have story ideas or news for the paper, or would like a story assignment please contact Suzie Crocker, Communications Manager, 1213 Innsbruck Drive, Sunnyvale, California (408) 744-7371.

Photos to illustrate your news are always welcome. Please send good black and white photos or very high quality color prints—polaroids are not suitable for printing.



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Thank You To Our Convention Contributors

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COMPANY
WILLIAM POST COMPANY
WINTERLAND PRODUCTS
WONDER TOYS
COMPANY, INC.
WORCESTER QUALITY FOOD

Chuck E.'s Challenge

Executive Vice President of Operations John Scott is in the process of challenging the managers of 40 corporate stores to reach mutually agreed upon sales volume figures within specified time periods. Those stores that reach their targets will be presented with special awards.

According to Scott, "This is an ongoing incentive program which had excellent results in the past. We're looking forward to seeing more stores meet their challenges with continued increases in store sales."

Good Ideas

Cynthia Scott, a costume character in the Jacksonville, Florida Pizza Time came up with an ingenious way to keep cool while wearing the furry suit. She designed a harness vest with freezer packs sewn across the front and back. The harness is kept in the freezer between wearings. According to Ron Sasko, general manager of the Jacksonville store, "The cooling efforts of the freezer packs help make the costume characters more comfortable in our hot climate."

Fifteen test harnesses have been made by Fantasy Forest in Victorville, California where all the Pizza Time walk-around costumes are designed and manufactured. The freezer harnesses are currently on trial in ten Florida stores and five southern California stores.

Harold Goldbranson, Director of Fantasy Forest, awarded Cynthia \$100 for her good idea. "The best ideas for the stores usually come from the employees and we want to encourage them to share their discoveries so that all the stores can benefit," notes Goldbranson.



Winners

Year of the Store Manager

AND THE WINNER IS... Ever wonder what Chuck E. Cheese's University of Fun name Florida is? It's a secret! But we're not the only ones who know it. The most creative entries in Chuck E. University's first B.F.C. competition with its Atari home video game

Best Marketing

Four corporate stores have been recognized for their outstanding efforts in implementing the marketing strategies and programs in 1982. The following are nominees for the annual marketing award:

Hayward, California
Garden Grove (Harbor Blvd.)
California
Plantation, Florida
Dallas (Walnut Hill), Texas

The following group coordinators have also been recognized for outstanding results in increasing sales in their stores from April through September 1, 1982:

Kathy Favel - Dallas (Walnut Hill), Texas
Rhonda Kaminsky - Plantation, Florida
Bonnie Mezyk - Garden Grove (Harbor Blvd.), California
Judy Wehle - Cupertino, California

Annual Report Wins Honors

Pizza Time Theatre's first annual report has gained recognition from a variety of sources. It won a merit award in Financial World Magazine's 42nd Annual Report Survey. The Financial World survey judges annual reports on information primarily of interest to the shareholders and on details of special interest to security analysts. The review also seeks evidence of imaginative compliance with Securities and Exchange Commission rules for annual reports.

The annual report won first place in the Gertrude B. Murphy Creative Awards Competition sponsored by the San Jose Ad Club, and also received the Potlatch/Northwest Paper award of excellence for creativity. It has been selected as a semi-finalist in the Echo awards competition.

Chuck E.'s Champions



Congratulations to the following cashiers and bartenders who are winners in the Chuck E.'s Champions "suggestive selling" program:

California

Modesto - Jack Endris
Tammy Peters
Huntington Beach - Brian Dixon, Louise Griffith
La Habra - Kathy Clifford
Riverside (Hole Ave.) - Steve Allaire
El Monte - Ralph Dayton
Garden Grove (Harbor Blvd.) - Shelly Pierson

Texas

Euless - Christine Demopoulos, Mike Howard
Fort Worth (Jacksboro) - Janel Bartholomew Paula Powell

Florida

Jacksonville - Kathy Danner
James Elrod
Tampa (Fowler) - Lori Kaprowski, Shelly LaVatto

Run in conjunction with Coca Cola, Chuck E.'s Champions is an incentive program for cashiers and bartenders. The goal of the program is to increase sales in the stores by suggesting additional items to customers at the time of purchase. Quarterly prizes of \$100 and a case of Coke are awarded to the most successful cashier and bartender in each district.

Operations Outlook

by John Scott, executive vice president of operations

In 1982, Year of the Store Manager, franchise and company stores alike have focused on the most important part of the Pizza Time family — our store level personnel. We have been working continually to strengthen day-to-day operations. In order to achieve this goal, we have improved our training programs, increased the tenure and professionalism of our managers, emphasized the nuts and bolts of store operations, and last, but not least, provided greater incentives and recognition of store personnel.

It is with great pleasure that I recognize 17 general managers for their outstanding achievements and contributions to the Pizza Time Theatre system.

The "Managers of the Year" are:

Ron Bigley - Blaine, Minnesota
Larry Brangero - Pico Rivera, California
Jerry Davison - Riverside (Chicago Ave.), California
Joe Fisher - Garden Grove (Harbor), California
Beverly Giberson - Federal Way, Washington
Dale Gilman - San Jose (Winchester), California
Scott Hartman - Loves Park, Illinois

Jerome Johnson - Dallas (Walnut Hill), Texas
Fran Maun - Waterbury, Connecticut
Scott Nelson - Hayward, California
Gary Oreglia - Modesto, California
Bob Peterson - Hampton, Virginia
Ron Sasko - Jacksonville, Florida
Craig Schade - Monroeville, Pennsylvania
Ed Sewell - San Antonio (Military Dr.), Texas
Louise Walker - National City, California
Wally Willon - Lake Worth, Florida

These managers were evaluated on various criteria including food and labor cost performance, personnel development in the store, customer interaction, community involvement, location, training, and marketing, and length of service (only those with at least six months service as general managers were considered).

Not only have these people done all the big things well, they have done the little things extremely well, too. And that's the key to a successful business. Congratulations to these outstanding members of the Pizza Time family.

Chuck E.'s Pride Awards



For our first PRIDE AWARDS, we honored the following. Chuck E. from Awards' headquarters is here with the award. The awards were given out in May at the PTT's first quarter meeting. The presenters are: Terry Beech, Vice President; Dale Wivona, Director.



The San Antonio Pizza Time Theatre in Military Drive was the corporate store winner of the second quarter Chuck E. Pride Award. Ed Sewell is the general manager, with Fernando Mendez and Hazel Wi's store managers.

Chuck E. Cheese Goes To Hong Kong



Chuck E. Cheese is set to open the first Chuck E. Cheese in the Far East in Hong Kong this fall. The new 10,000 square foot facility will be located in the Kowloon area of Hong Kong.

Wally and Linda Finlay, owners of Pizza Time Theatre in Mississauga, Ontario, Canada, are the New Zealanders who will operate the new Chuck E. Cheese in Hong Kong. They are also partners in Pizza Time Theatre, which has 10 units in Hong Kong and 11 units in Hong Kong. They will expand their business in Hong Kong.

Canadian Subsidiary

Pizza Time Theatre has announced the formation of a Canadian subsidiary, Chuck E. Cheese's Pizza Time Theatre Limited. Headquartered in Toronto, Canada, the new corporation will be under the leadership of CTI Chuck E. Cheese's director.

Finlay has an extensive background in real estate development in the food service industry in Canada. Formerly president of Uncle John's Family Restaurants Ltd., he has also been in management positions with Robin Hood Multi Foods and McDonald's Restaurants of Canada.

"We're looking forward to bringing Chuck E. Cheese's Pizza Time Theatres to major population areas throughout Canada," said Jack Campbell, vice president-international for Pizza Time Theatre, Inc. "We expect Chuck E. Cheese to be as popular with Canadian children and families as he is with their American counterparts."

TDLA's Signed



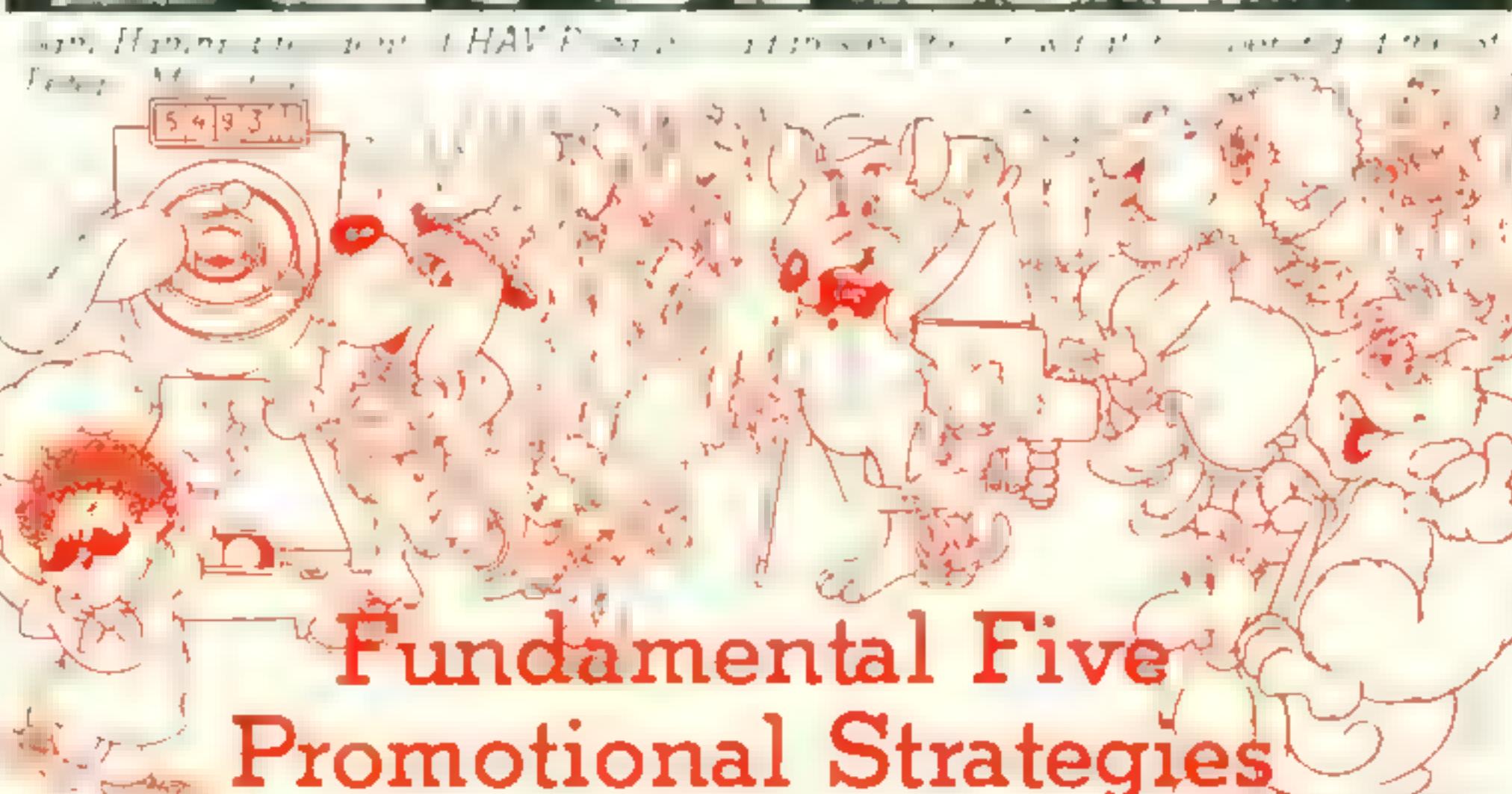
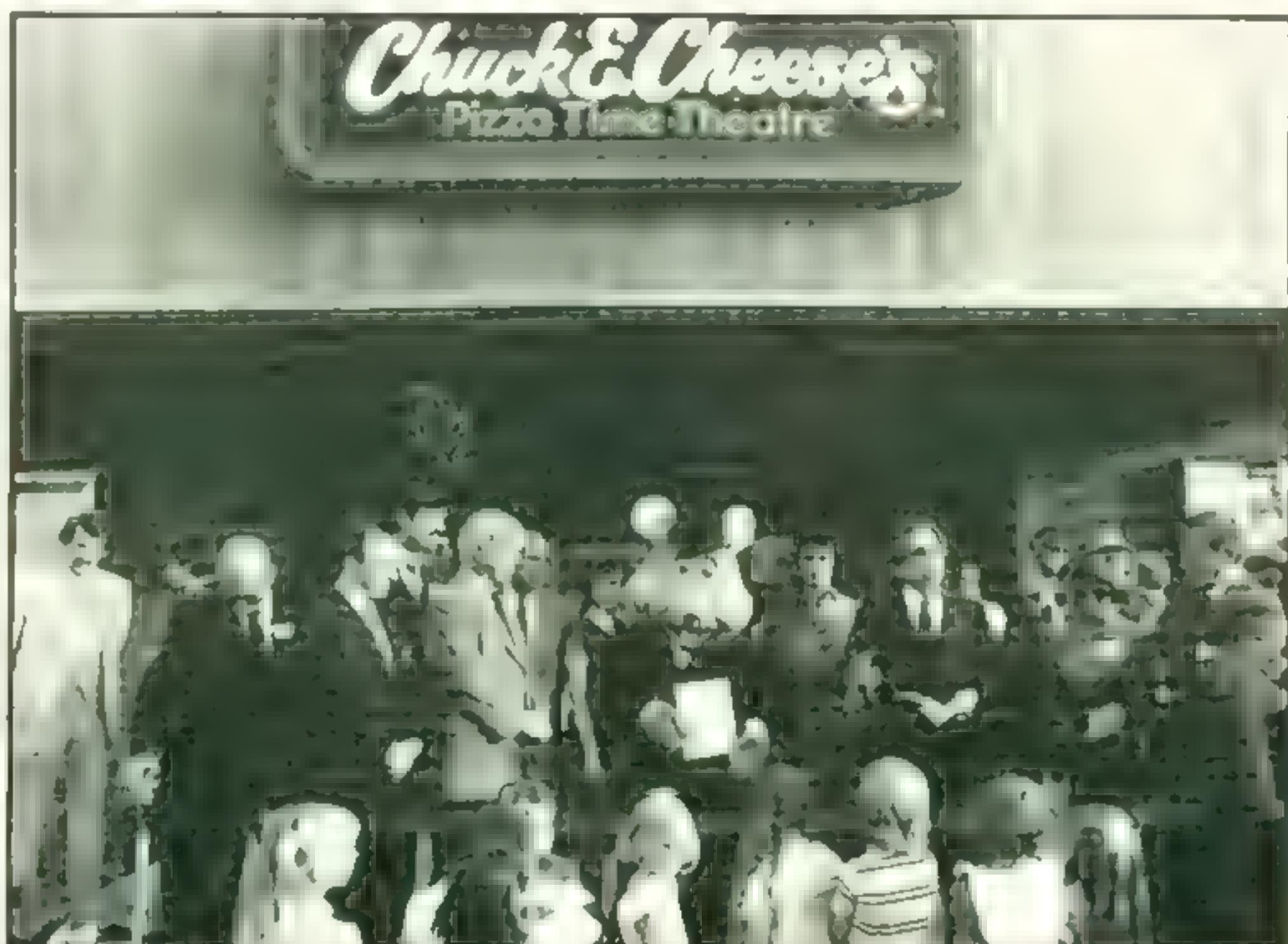
A Territorial Development Letter of Agreement has been signed with Bill Gibson for development in Puerto Rico. Mirada Corporation, franchisee for the Minnesota stores, has signed TDLA's for two units in western Wisconsin.

Family Entertainment Centers Inc. has signed TDLA's for two units in Delaware. Family Entertainment currently owns and operates stores in California, Maryland and Virginia.

Franchise News



On September 1, with the Hong Kong press in attendance, Chuck E. Cheese's Pizza Time Theatre opened its first store in Hong Kong. President Dennis Finlay and Mark Finlay represent their new franchise. Kung Pao Pizza is scheduled to open by year-end.

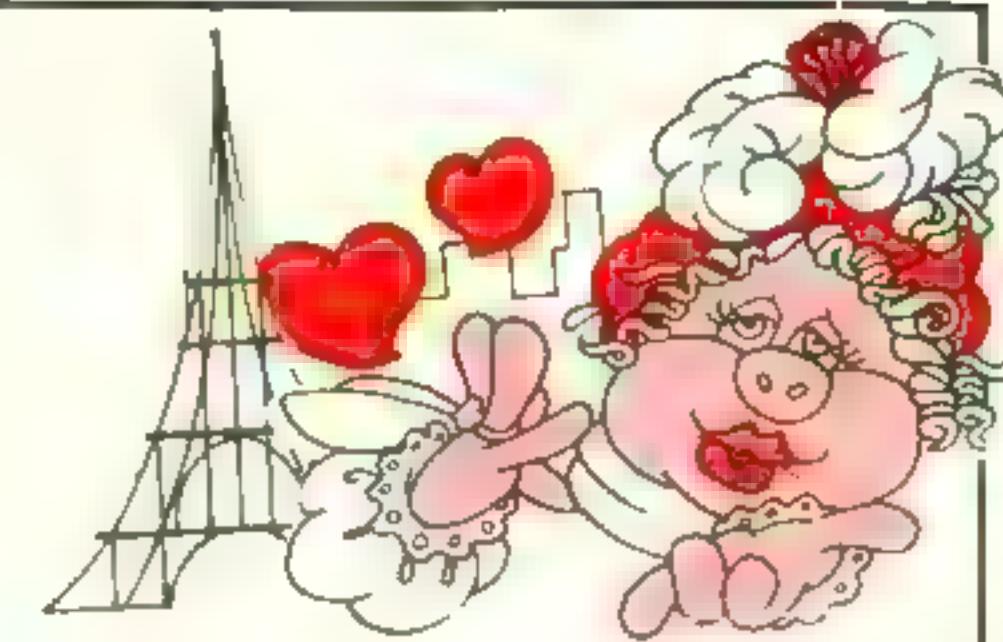


Fundamental Five Promotional Strategies

Pizza Time Theatre's "fundamental five" promotional strategies to increase sales in the stores have been expanded to the fundamental five. In order of priority these areas are:

1. Giveaways
2. Product
3. Events
4. Fundraising
5. Giveaways

Store managers, district directors, and group coordinators throughout the Pizza Time system are working to emphasize these programs in their stores. If franchise owners or managers have had notable success in any of these areas, please send your ideas to training director, marketing manager, Don Shulite at the corporate offices.



Chuck E. Cheese In France

Alain Aloui has been named president of the first Chuck E. Cheese in France. Aloui will be responsible for managing the first store, which is currently under construction in Paris, and will open in early 1989.

Aloui, a native of France, has been involved in the franchise industry for over 10 years. He has been a franchisee of one of the first Chuck E. Cheese's in the United States.

Franchise Units Open

Two new units opened recently in the Far East. The first is in Tokyo, Japan, and the second is in Hong Kong. The third is in Seoul, South Korea, and the fourth is in Australia.

Little Caesar's Management International opened its 10th unit, Fazoli's, in Atlanta, Georgia. Fazoli's parent, Little Caesar's of Louisville, Kentucky, also in Louisville, opened a new store in Jackson, Mississippi in August.

Showtime Services, Inc. opened a new store in Philadelphia, Pennsylvania in August. ETR, Inc. opened three new stores, one in Houston, Texas, one in Atlanta, Georgia and another in Cincinnati, Ohio. Little Caesar Enterprises opened two new Michigan units, one in Sterling Heights and one in Ferndale.

Pizza Concepts, Inc. opened their second store in Syracuse, New York in August. Profit Company Limited opened their first location in Honolulu, Hawaii in August. The Northwest Company opened their third store in the Seattle area and The Wendy's Company opened a unit in Manchester, New Hampshire.

In August, Animated Family Restaurant, Inc. opened their first store in Wayne, New Jersey and Family Entertainment Centers of Wisconsin opened a second Milwaukee location.

Trade Shows

The two largest and most trade shows are scheduled for the same dates this year. November 18th through November 21st, The Amusement and Music Operators Association (AMOA) show will be underway in Chicago while the International Association of Amusement Parks and Attractions (IAAPA) show is going on in Kansas City, Missouri.

The AMOA show highlights the latest development in video games, arcade games and game boxes. It will be held at the Chicago Hyatt Regency Hotel at 151 East Wacker Drive.

The IAAPA exhibits outdoor amusement equipment, special attractions (such as ball crawls and bounce floors), souvenir

novelty merchandise and animation. Pizza Time Theatre's game division will be showing Chuck E. Cheese Rolls at this show. It will be held at Bartle Hall, 301 W. 13th Street in Kansas City.

Pizza Time Theatre will have a hospitality suite at each show for franchise owners who are attending the meeting.

Marketing Promotions



Chuck E. Cheese Computer Program

Chuck E. Cheese's quest for national computer literacy begins in October with a program offering schools the opportunity to earn a computer through their local Pizza Time Theatres. Pizza Time has a commitment from four leading computer manufacturers to make their computers available to the program at a discount of approximately 50%. Schools can earn the balance of the cost of a computer by participating in the Chuck E. Cheese Computer program. The fund raising methods available to the schools include the following

- holding a Computer Night in any participating Pizza Time Theatre and taking home a percentage of the food and beverage receipts over a predetermined amount
- selling Chuck E. Cheese Computer Bucks, good for tokens, as a profit-maker



- adding an additional \$1 credit for the computer with EACH purchase of \$20 or more by the school group at a Pizza Time Theatre for 30 days before AND after a Computer Night

Posters, information packets and other materials were shipped to participating stores the end of September. Group coordinators are currently in the process of distributing the computer program information to schools in their areas

1983 Calendar Promotion

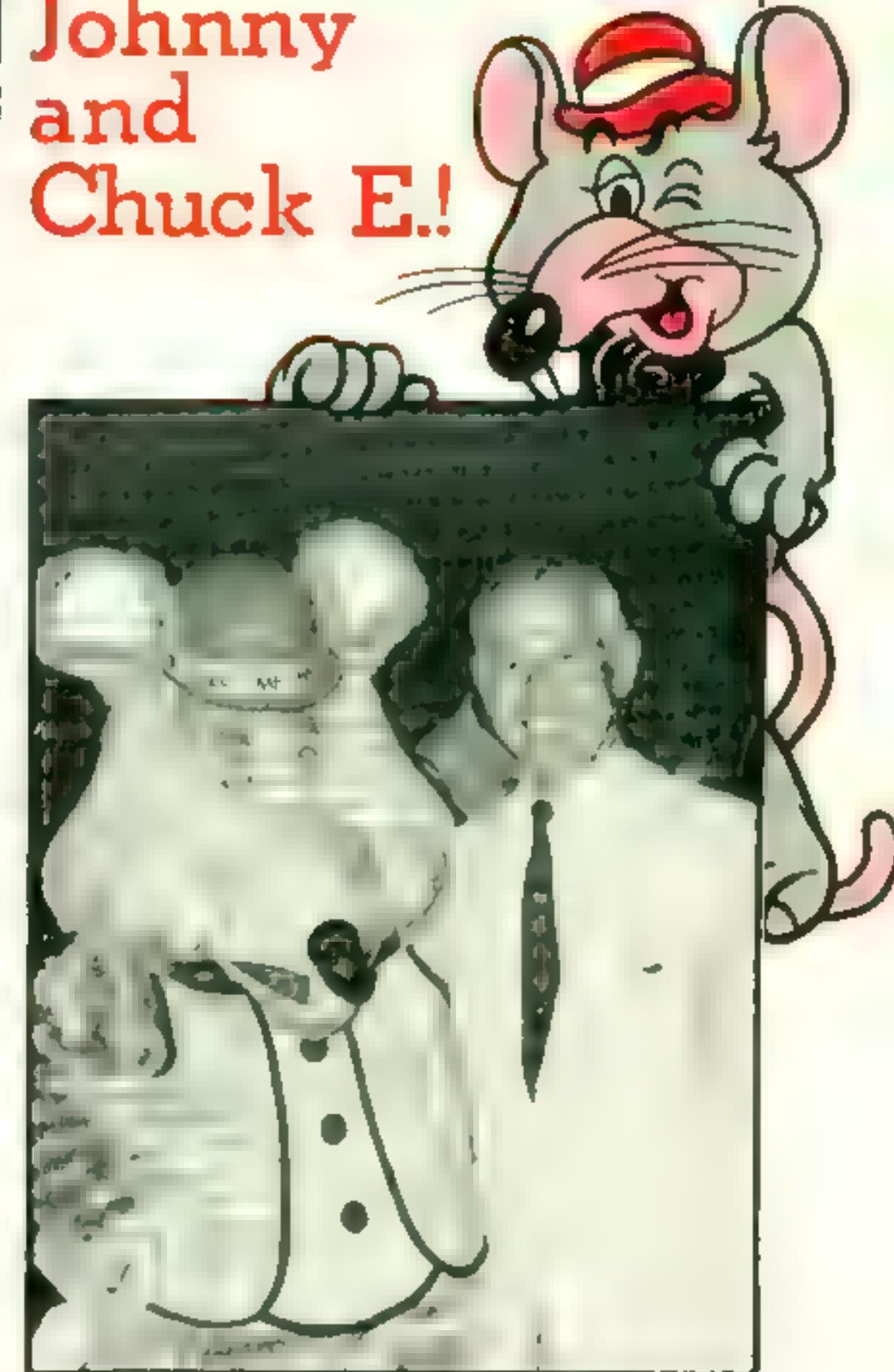


The theme of the 1983 calendar is "Backstage at Chuck E Cheese's." Each month will feature a behind-the-scenes look at different aspects of Pizza Time Theatre with "funfacts" and copy explaining each scene. For the user's convenience, the 1983 calendar will include two extra months — December 1982 and January 1984

In addition, the new calendar and its coupons contain no references to 1983 marketing promotions so that stores not participating in all the promotions may use the calendar

Direct mail holiday cards from Chuck E. Cheese will offer the calendar with the purchase of a large pizza and salad. In-store coupons and point of purchase posters will also support the promotion

Heeeeeere's Johnny and Chuck E!



Heeeeeere's Johnny and Chuck E! The two popular celebrities met in July at an annual client appreciation luncheon hosted by the Carson Broadcasting Corporation local television station KVV in Las Vegas, Nevada

What's Coming Up In Entertainment

New Animator

Animator Jeff Risk has recently joined the animation/entertainment department. Jeff comes with fifteen years experience in the entertainment business. He has performed in TV shows with Ann Margaret, Juliet Prowse, Telly Savalas, and Johnny Mathis. He has also studied mime in Paris with Marcel Marceau. Jeff is currently teaching acting/mime at West Valley College in the Santa Clara Valley



New Characters

Chuck E. Cheese is auditioning a new character for the Pizza Time Theatre cabaret show. She is a bubbly, pink elephant, formerly with a touring circus company. Her stage name will be announced soon. A new lounge act featuring popular "surfing" music of the sixties is also in the works. Fans can recognize the "Beach Bowzers" by their blond hair, surf boards and huarachi sandals

New Procedures Speed Shipping



Pictured in the distribution center left to right Brooks Wirt, Paula Bozovich, Kathy Neville, Roy Scelza, and Jackie Smith

Keeping more than 165 Pizza Time Theatres supplied with everything from birthday flairs to children's rides is one of the jobs of the Materials Department. Each day over 75 orders are processed and shipped to Pizza Times across the country

Meeting store deadlines with shipments is a vital part of successful operations. Roy Scelza, materials manager has been working with his department to eliminate delays in filling and shipping sales orders and in transit times. We're not sure just yet we've reduced the average time an order takes to complete from 14 days to only three

In order entry supervisor Jackie Smith is responsible for logging orders into the system and seeing that there are no delays in shipping orders out. Jackie has started using an order entry log to identify orders that aren't moving fast enough. In addition, a person in the auditing area is responsible for seeing that back-ordered shipments to new stores are given priority attention. Auditing now has three people making sure orders are accurately filled

Jackie has also begun working with an experimental call-in system for the Florida stores. Since orders are no longer mailed in turnaround time is expected to be reduced. Orders are being combined to reduce shipping cost. If the system proves successful it will be implemented in other areas of the country

Kathy Neville, the order entry coordinator, acts as a liaison between the distribution center and the stores. She handles sales order problems and can also give the status of outstanding orders

The distribution center, under the supervision of Brooks Wirt, has been reorganized for faster material withdrawal and fewer errors. "We now have 98 percent accuracy in shipped orders," according to Roy. "The paperwork that goes out with a shipment matches what's requested in the order."

Paula Bozovich, traffic manager, contacts freight carriers, makes sure goods are shipped quickly, and traces shipments if the need arises. Since joining Pizza Time in January, Paula has reduced outbound freight costs 4 percent by negotiating a contract with North American Van Lines, evaluating air forwarders in the area for the lowest cost and by using new packaging for shipments

To help reduce damage in transit shrink wrap packaging is being used to protect the boxes enroute. Air freight orders are also being shipped in larger, single boxes instead of numerous different-sized ones which cost more to ship

Another change in the distribution center is that one person, Sam Brown, now has sole responsibility for seeing that promotional material gets to the stores, thus assuring every Pizza Time Theatre a good supply of premium items by the start of each promotion

Madame Oink takes a tour around the world in the new "Tunnel of Love" show soon to appear in Pizza Time Theatres. The skits illustrate how "love makes the world go 'round" through musical themes from different countries. Also included in the "Tunnel of Love" show are three new birthday skits guaranteed to give excitement to any kid's special day

Recording Studio Opens

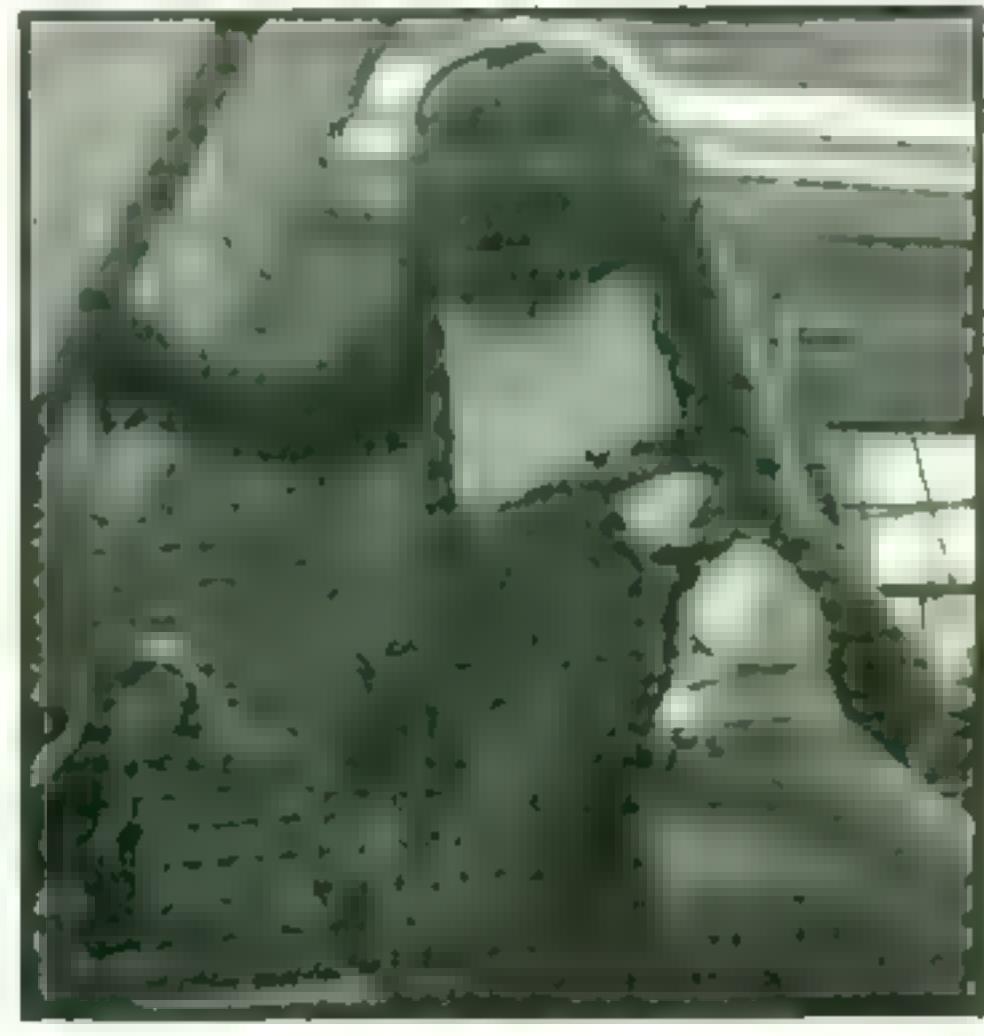
In other animation news, a new fully equipped eight track recording studio recently opened at the corporate offices. Designed by Mike Hatcher and James Barnes, the studio will be used to record all the voices for the Pizza Time Players, and for special projects



The 10th Anniversary Pizza Time Chuck E. Cheese's Party in the Park, A Free Based event, it's An All American Day's Festival.



After Hours at Chuck E. Cheese's Party in the Park.



Music, Games, Fun, and More at the Chuck E. Cheese's Party in the Park.



Chuck E. with skaters at the Chuck E. Cheese's Party in the Park.

The Chuck E. Cheese's PTT dramatically increased membership in its corporate fan club by offering every employee two free tickets to the concert of their choice if they signed up 75 corporate members.

Chuck E. featured a Grand Family Fun Week in June with a \$2 discount off any large pizza plus 10 free tokens to all grads that brought in a special flyer. In Wichita, Kans., the city paper sponsored four Pizza Time parties for their carriers with 175 paperboys in each party. The new Northland stores supplied a local real estate company with Chuck E. Bucks to include with their monthly newsletter.

In Dallas, a bowling alley sponsored a Beat Chuck E. Cheese bowling contest for kids. If youngsters beat the Big Cs

Starring the Stores



Chuck E. and the Chuck E. Cheese's Pizza Time Theatre in the Park.



The New York City show of the "Rockin' Chuck E. Cheese's" show.



Chuck E. stars in the show of the "Rockin' Chuck E. Cheese's" show.

so they received free tokens. At the Chuck E. Cheese's Pizza Time, Chuck E. attended Camp Camp Day sponsored by the Parks and Recreation Department giving prizes, trinkets, posters and Chuck E. Bucks. The Chuck E. Cheese's store participated in a fund-raiser for multiple sclerosis at a local shopping mall with CBS television.

Down the way in Dallas, Chuck E. appeared for two days at the Chisholm Trail Roundup festivities passing out 400 Chuck E. Bucks. In El Paso, the store held Beach Day with Chuck E. in a South Pacific outfit. Everyone who came in beach attire got five free tokens and a 20 percent discount on a Hawaiian pizza. While in St. Louis, Chuck E. makes a monthly appearance at the Wag on Wheels Square Dance Club on Main Street in the Lone Star

State news the Las Vegas store sent Chuck E. to a tennis camp where he received the Super Camper award from the delighted kids.

In May, at the New York store sponsored the 1982 Independence Day fireworks celebration and had Chuck E. hosting a tan club booth. In Florida, the Big C is sponsoring the first annual Chuck E. Cheese's Burnsville Soccer Invitational.

The Chuck E. Cheese's Pizza Time had a group party for a local hospital with over 300 employees. The group had so much fun, they booked two additional dates so more employees could enjoy Pizza Time. The events ran from 5 to 9 pm with free tokens during that time. In August 300



Chuck E. and the Chuck E. Cheese's Pizza Time Theatre in the Park.



Chuck E. and the Chuck E. Cheese's Pizza Time Theatre in the Park.



Chuck E. and the Chuck E. Cheese's Pizza Time Theatre in the Park.



Chuck E. and the Chuck E. Cheese's Pizza Time Theatre in the Park.

people from a brokerage firm came in and bought tokens and had a great time. From 7 to 10:30 pm they spent over \$500 in tokens.

In the Bay City, Mich., store, Chuck E. Jasper and Munson, the store's mascots, attended the Tournament of Champions water ski competition which was telecast on the ESPN cable network. The Big C's Pizza Time has a Chuck E. Cheese T-shirt Day every Monday. Kids wearing a Chuck E. shirt get five free tokens and a small soft drink.

In the Fort Worth, the charterers walked around in half a 90 degree heat in the 10th Fourth of July parade. In August the store had a private party for a church



Chuck E and Jasper at a restaurant in Florida.



Chuck E at a school in Florida.



Chuck E at a school in Florida.



Chuck E at a school in Florida.



Chuck E at a school in Florida.



Chuck E at a school in Florida.



The Big 7 team from Florida. Photo by W. H.



The E. M. Lee team from Florida. Photo by W. H.

The little league team sponsored by the Maryland Heights, Maryland, church of the week, Chuck E Cheese unit.

group from 11:30 p.m. to 2:30 a.m. The event was announced during the weekly broadcast of the church's television sermon and 600 members of the congregation turned out.

Elsewhere in the Sunshine State, the Tampa store has been involved with local recreation centers, co-promoting and attending special events. In Winter Park parishioners bringing in their church bulletin on Sunday get an additional 28 tokens with their food purchase. If they bring their pastor, he'll receive 56 tokens to distribute as he wishes.

Boise, Idaho, reports Chuck E has been busy attending the Special Olympics and the Miridian Speedway, where he's sponsored a race car and has presented trophies. In Springfield, Illinois

1,800 kids signed up for the fan club at booths the store had at two county fairs.

In neighboring Wisconsin, the West Allis store hosted a party for 400 children of employees of the Mutual Life Insurance Company. In Ogden, Utah, Chuck E. appeared at a back-to-school fashion show at a local department store passing out Chuck E. Bucks and free slices of Pizza.

The Fremont, California, Pizza Time attended a semi-professional football game, with Chuck E and Munch throwing 500 frisbees into the stands. At Hampton, Virginia, Chuck E. appeared at Fort Eustis Army Post's 40th birthday celebration.

The St. Peters, Missouri, Pizza Time has been checking with the

different parks in their area to find out when ball games are scheduled. Chuck E. appears as a cheerleader at these events. They also get a list from the chamber of commerce of upcoming events and keep a card file for each month. Chuck E. has also visited several schools to assist the police department with their safety programs.

In Beaverton, Oregon, the Pizza Time Players continue to make weekly appearances on a local children's TV show, giving a gift and Chuck E. Bucks to the kids in the studio audience. In August, Chuck E. made appearances at a local store for a Lee jeans promotion. Chuck E. Bucks were given with each purchase and drawings were held for birthday parties.

In Monroeville, Pennsylvania Captain Pitt, a children's TV show host, visited at Pizza Time for three hours passing out autographed pictures. Jasper won four blue ribbons when he appeared at a Ken-L-Ration dog show: best groomed, funniest dog, largest dog and best behaved! The store also sponsored two miniature golf tournaments for kids 12 and under, with all proceeds going to the Children's Hospital of Pittsburgh. By the end of August they'd done more than 175 character appearances this year.

The Albuquerque, New Mexico store sends Chuck E. and Jasper to the local children's hospital and out-patient clinic every Thursday for a visit. They've also had two fund-raisers for the hospital, the first collecting almost \$1,000.

THE PIZZA TIMES - OCT 1982

(Volume 2, Issue 3)

Date of Origin: 1982

Archived: 4-20-08

Submission by VegaNova

Version 1.0

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Volume Two, Issue Four December 1982

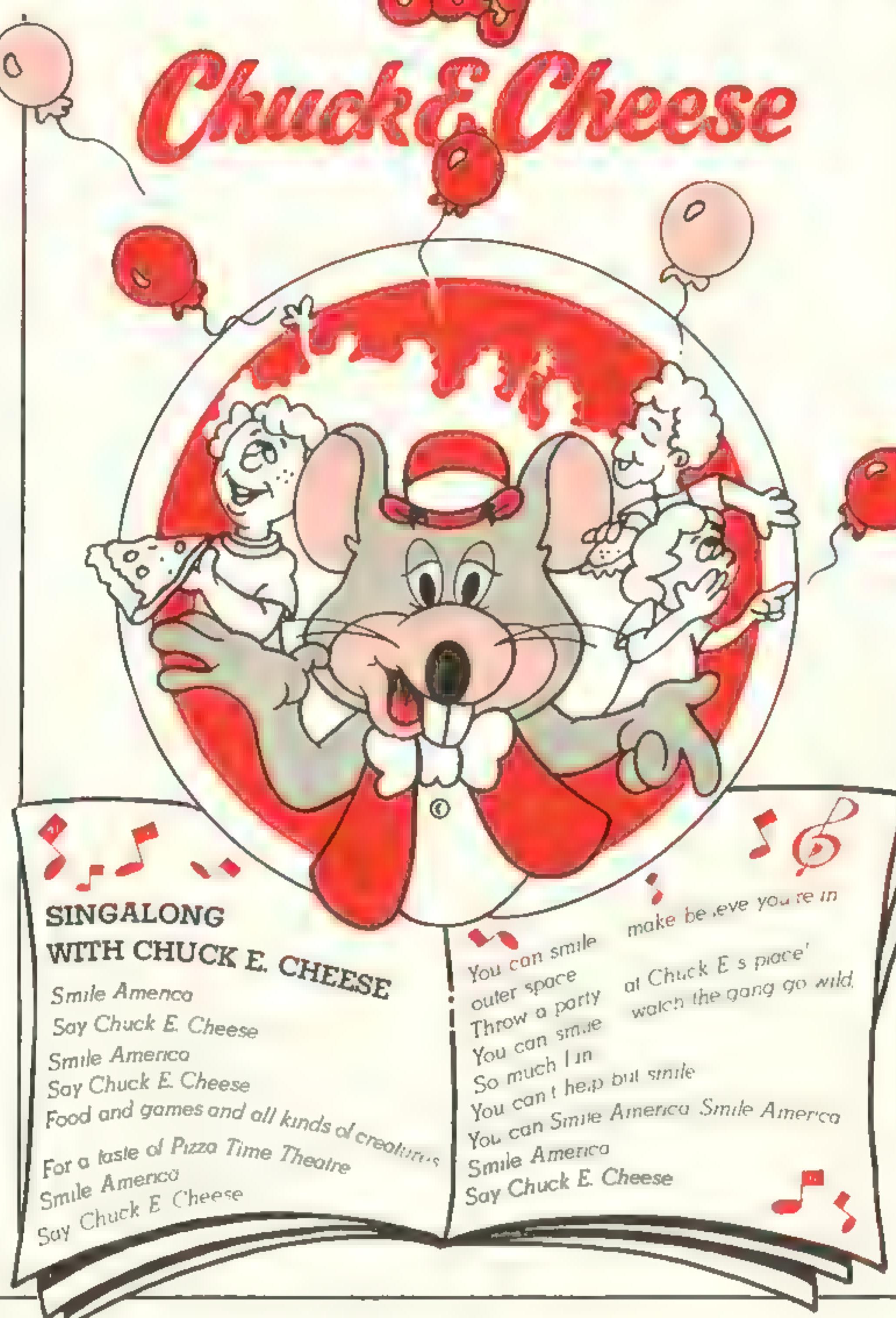
SMILE AMERICA

New Advertising Campaign Launched

Pizza Time Theatre's newly released television advertising campaign launched in October has America smiling and singing along with the jingle, "Smile America, say Chuck E. Cheese."

One of the three new spots created by Cunningham and Walsh advertising agency is called "Alice," as in "Alice in Wonderland." It features a little girl, initially apprehensive about her first visit to Chuck E. Cheese's, befriended by Chuck E. himself. The spot shows Chuck E. leading the delighted child through a fantasy land of fun, games, pizza and smiling faces. David O'Connor, Cunningham and Walsh's management supervisor for the account says he wants parents who view the commercial to say, "I'd like my child to be that happy."

Another spot focuses on a child having a birthday party at Chuck E. Cheese's. And the third spot shows a mother playing skeeball with her young son, getting a helping hand from Chuck E. All the spots feature the Chuck E. Cheese walk-around character with an animated face. Chuck E.'s special "talking head," as well as those



for Munch, Jasper and Pasqually, were made by Shaftron, Inc. of North Hollywood, a company that has been making costumes and special effects for movies for over 40 years. The winking eyes, moving mouths and other animated features bring Chuck E. and the Pizza Time Players to life in the commercials.

The new spots, which are targeted to children 2 to 12 years old and their parents, ran during October, November and December on children's programming. In 1983, the campaign will expand into family programming and, in May, into network television across America.

One of the highlights of the Alice commercial is Chuck E.'s "Hi" sign (the index finger brushing the side of the nose) to the little girl which she returns to him, signifying her satisfaction at being at Pizza Time Theatre. Chuck E. walk-around characters in the stores have been using this happy gesture for the enjoyment of the guests and report a favorable response from children and parents alike. Cast members are encouraged to try the "Hi" sign out on their young customers.

To further reinforce the "Smile America" campaign, cast members are wearing "Smile America" buttons on their uniforms. In addition, "Smile America" t-shirts in children's sizes are now available from the corporate distribution center for sale in the general stores.

Pizza Time Theatre Hits 200

Two milestone stores opened in December, each making a unique contribution to the growth of Pizza Time Theatre. The new Hong Kong unit brings the total number of Pizza Time Theatres to 200, a doubling in size in just nine months, while the Reno Pizza Time becomes the 100th corporate store to open.

Hong Kong's Pizza Time Theatre, located on the ground floor of the Hilton Towers, Tsim Sha Tsui East, Kowloon, is the third international unit to open, joining Canada and Australia.

The unit is 9,000 square feet in size, with seating for 250 people. In addition to the Pizza Time Players with guest star Madame Oink, the store features the "King." Pizza Time's rock'n'roll lion is making his first appearance outside the U.S. The store includes 40 games and has a menu offering pizza with shrimp topping, and spaghetti, in addition to the standard entrees.

The store is franchised by the Whimsy Company Ltd., whose principals include Robert Go, chairman; Philip Morias, director; and Gus Chow, a director and the store's general manager.

Reno's Pizza Time Theatre, the fifth in Nevada, is 10,500 square feet, has 60 games, and seats 300 people in its dining areas. It also features the popular "King."



1983 Year of Group Sales

Chuck E. Cheese is kicking off 1983 with a new program to increase group sales in corporate stores. Developed and coordinated by Jerry Ashton, group sales consultant, and Don Schulte, director of franchise marketing, the group sales program is now in place in all corporate regions.

Pat Saign, vice president of marketing says, "One of Pizza Time's biggest assets is the size of our stores, and our ability to handle group business. There's unlimited potential for group sales, and we intend to tap that market with this new program."

Program Goals

The goals of the program are to increase group sales by 100% in 1983, assist general managers with marketing responsibilities, and to reduce store-level labor costs related to promotion. To carry out these objectives, the company has hired sixteen marketing sales representatives, five in the Southern California region, four in the Northern California and Central regions, and three in the Eastern region. The sales representatives will be able to offer groups of 20 or more a choice of two attractive packages including pizza, beverage and game tokens—Chuck E's Choice at \$4.95 per person and Pasqually's Package at \$3.95 per person.

Currently the sales representatives are developing, soliciting and

maintaining community contacts with local groups, organizations and businesses for each Pizza Time Theatre in their area. Their territories include at least five stores. The sales reps, who report to the regional marketing managers, will communicate their sales and scheduled sales dates to the stores for appropriate coordination and implementation of the group package. They will also refer regional groups, programs and promotional ideas to the regional marketing managers.

Before commencing work in their territories, the marketing sales representatives completed a two week course of classroom, sales, and operations training, and additional field training under the direction of the regional marketing managers.

The marketing sales representatives are

Northern California

Robin Blanc
Bonnie Collins
Kate McConkey
Joan Louise Nelson

Central Region

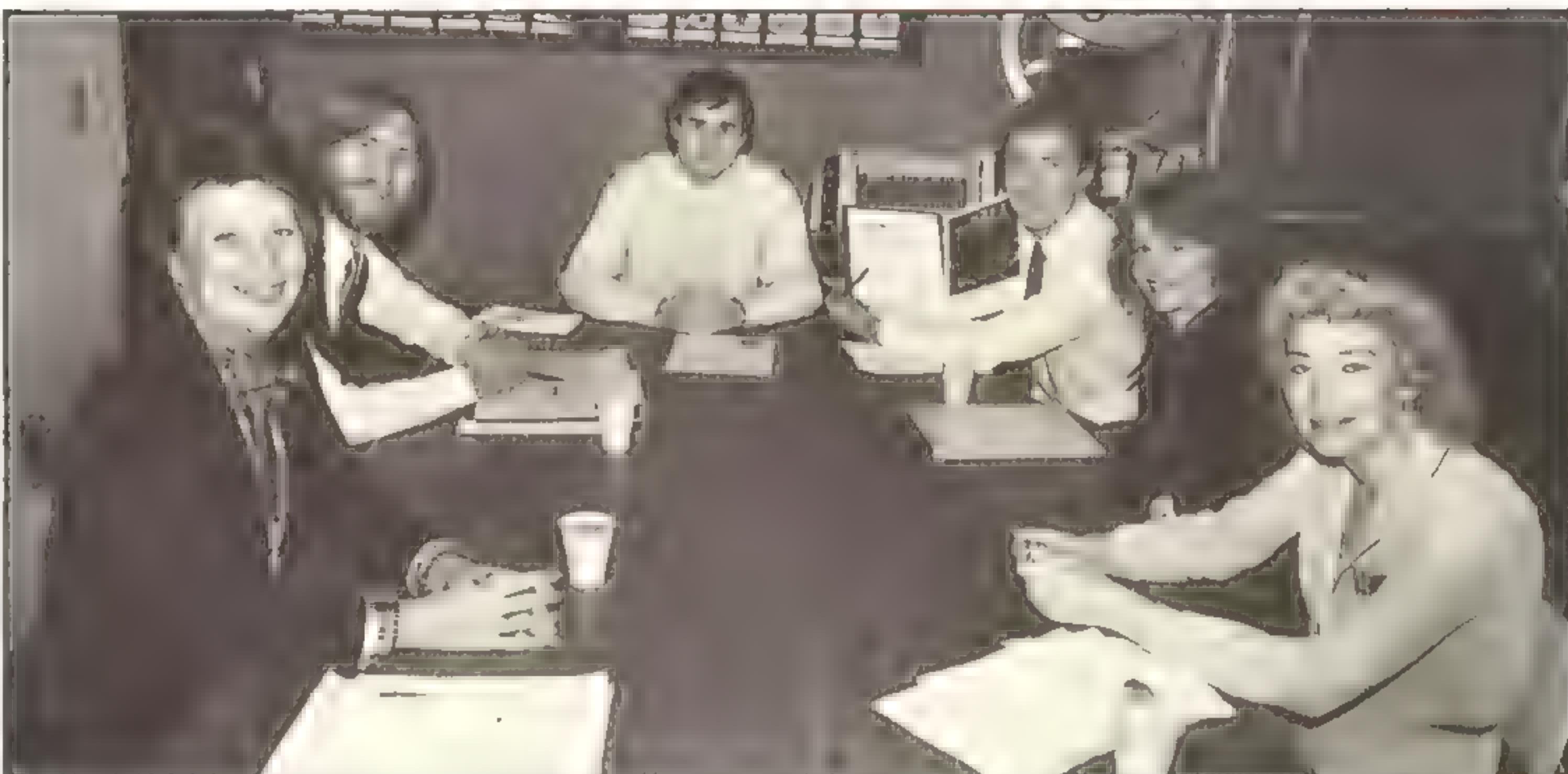
Vicky Carlberg
Kathy Favel
Lois Harris
Sherry Wagener

Southern California and Nevada

Jan Boyd
Regina Carven
Sandy Goldhamer
Robin Hoklotubbe
Wendy Rousselot

Eastern Region

Suzanne Robb
Rhonda Kaminsky
Nita Ekwurzel



At one of the training sessions, members of the Northern California sales staff met to discuss the new group sales program. Pictured, left to right, are: Kate McConkey, sales representative; Rick Sikorski, marketing manager; Don Schulte, franchise marketing director; Jerry Ashton, group sales consultant, and sales representatives Joan Nelson and Bonnie Collins.

Marketing Promotions

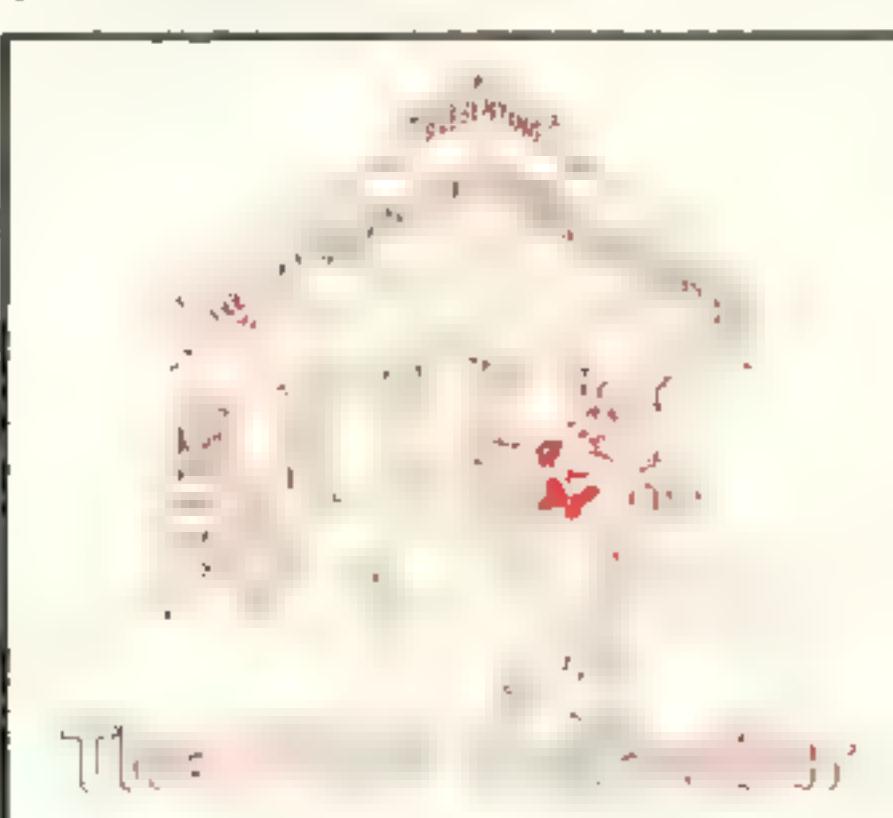


Chuck E. Cheese Movie Program

Chuck E. Cheese is encouraging families to dine at Pizza Time Theatre before or after going to a movie by giving 10 free game tokens for each movie ticket stub returned with a food purchase. This program, designed to capitalize on heavy movie attendance during the holidays and school vacations, is being publicized by posters placed throughout the stores and in movie theaters, where possible. Regional marketing managers are also contacting local theater managers to develop reciprocal promotions and to buy screen time.

Team Sponsorships

Offering youth soccer teams a donation of 100 Super Bucks instead of a cash sponsorship fee benefits both the team and their local Pizza Time Theatre. When the group sells 100 Super Bucks for \$3 each, they earn \$300 for their team. Pizza Time then gets the benefit of returned Super Bucks throughout the season. This cost-effective sponsorship program should be used for the upcoming youth baseball season as well.



by John Scott, executive vice president of operations

In 1983, the Year of Group Sales, the success of our program depends on teamwork between our operations and marketing people. With this team approach, sales plus productivity will equal increased profits.

Building group sales will be a major emphasis for the new year. To this end we have a dynamic group sales plan in place, and a well-trained staff of marketing sales representatives to implement the plan. Total success, however, depends on how well we combine the group sales program with

Operations Outlook

increased productivity in our operations. The professionalism displayed at the store level, and our concern for providing our customers quality product, service, entertainment and cleanliness are the foundation for future success.

Our goal is to build a strong national chain and we will certainly achieve this goal with the help of every member of the Pizza Time family. That means open communications and total support of our common goals. If it's your job, do it well. If it's someone else's job, support that person completely. Chuck E. Cheese's is a "You and Me" company. Let's keep it that way.

New Manufacturing Facility To Open

In mid-January, the Cyberamics manufacturing plant and the distribution center will move from the corporate headquarters complex in Sunnyvale, California to a new site in Milpitas, about seven miles east of the present location.

The Cyberamics manufacturing operation and administration offices will be housed in a 60,000 square-foot building adjacent to a 101,000

square-foot warehouse and distribution center. This new facility triples the amount of space currently available in the Sunnyvale location for manufacturing and distribution, and will allow for future expansion.

John Impson, vice president and general manager, manufacturing division, says, "We have planned a phased move over several weeks to allow a minimum disruption of operations. Naturally, we're all looking forward to more spacious and efficient quarters."

About 150 people will be employed in the Milpitas facility when it opens. Pizza Time is the first major tenant of the 109-acre industrial park located at Yosemite Drive and South Milpitas Boulevard.

The Pizza Times

Editor Suzie Crocker
Assoc. Editor ... Jon Porter
Reporter Jennifer Alves
Art Director Daved Garza
Designer Karen Mitchell
Illustrator Jeff Severn
Photography ... Jon Porter

The new "Backstage at Chuck E. Cheese's" calendars are being offered in all participating Pizza Time Theatres. While supply lasts, customers can get a calendar with the purchase of a large pizza and salad. The calendars, which contain over \$100 worth of coupons, may also be purchased for \$1.98 in the general store.

Jacksonville's Winning Ways

As the unprecedented winner of two Chuck E's Pride Awards, the Jacksonville Pizza Time Theatre has much to be proud of. Since winning the honors for fourth quarter 1981 and now for third quarter 1982, Jacksonville has set an example of how a company store meets or exceeds corporate standards for cleanliness, customer service and quality product.

According to Tom Dorey, general manager, a number of reasons have contributed to his store's success. One of the most important is input from the cast on ways to improve operations and increase customer satisfaction. "They come up with a lot of good ideas," says Tom. "The most recent was to make a Halloween costume for Chuck E. Customers really got a kick out of seeing him dressed up."

To keep lines of communication open, monthly meetings are scheduled between managers and dough rollers, bussers, cashiers and the other departments to discuss problems or share ideas. Tom and his managers, Harry Tullos, and Spero Zepatos also use the training films as ongoing reminders of correct procedures. The emphasis on correct procedure has paid off; the Jacksonville store also won Chuck E's Champions suggestive sell awards for both a bartender, James Elrod, and cashier, Cathy Danner.

Tom credits the fact that his store has a large percentage of long-term employees, including the managers, as another reason for its success.

Emphasis On Cleanliness

Cleanliness receives added attention at the Jacksonville Pizza Time. The managers, led by Ron Sisko, the former general manager who recently was promoted to district 3404 director, and an employee, Curtiss Johnson, developed a maintenance schedule



from the operations manual to maintain a first rate appearance. The schedule, which includes a thorough, weekly cleaning of the carpet and polishing of the tile floors, helps keep the store looking good. Tom feels that floors free of gum and other debris are more conducive to an enjoyable dining experience, which will encourage future visits. Maintaining a clean appearance instills pride in employees about working at Chuck E. Cheese's as well. "One new employee, after looking at our kitchen, said the only place she'd ever worked that was cleaner was in a hospital!" Tom said.

All the work put in by Curtiss, a part-time employee who attends college during the day, and the rest of the staff in maintaining a good appearance helps, since the Jacksonville store has nearby ShowBiz competition. "We're stronger in the community than ShowBiz," says Tom, "because of our character appearances, school tours, group outings and birthdays."

With such a dedicated staff and attention to detail, it's easy to see why the Jacksonville store is a two-time winner of the Chuck E's Pride Award.



Dedicated employees like Curtiss Johnson are one of the reasons for the Jacksonville store's success

(Photo right) Chairman Nolan Bushnell receives the "Restaurant Innovator of the Year" award at the Multi Unit Food Service Operators conference in Washington, D.C., October 26. Presenting the award is Thomas Haas (right), publication director of Nation's Restaurant News. (Photo below) Communications director Suzie Crocker accepts a silver "Echo" award for the 1981 annual report at the Direct Mail Marketing Association's International Awards Competition in Los Angeles November 3. Presenting the award are Ed Nash (left), chairman of the Echo Awards committee, and Robert Delcy, president of the Direct Mail Marketing Association



Highlights of 1982

1982 was a milestone year for Pizza Time Theatre. Here is a review of the highlights.

January... The Year of the Store Manager begins. Chuck E. Cheese's University and the test kitchen open at the San Jose, Calif., Pizza Time on Fontaine Road.

March... The 100th Pizza Time Theatre franchised by Pizza Concepts Inc., opens in Penfield, New York. Pizza Time's first annual report is published, getting rave reviews in the financial community and winning six awards by year-end

April... The first shareholder's meeting is held at the San Jose-Fontaine Road store. The Games Manufacturing Division opens in Hollister, Calif.

May... Chuck E.'s fifth birthday! Artist LeRoy Neiman paints "The Big C's" portrait and even President Reagan joins the well-wishers by sending a congratulatory telegram.

June... The lawsuit with ShowBiz is settled out-of-court, with Brock Corp. agreeing to pay Pizza Time

a percentage of revenues on their first 160 ShowBiz units. Cunningham & Walsh, San Francisco, is selected as the new advertising agency.

August... Pizza Time stock now listed on the NASDAQ/OTC national market system

September... Groundbreaking ceremonies for the new Milpitas manufacturing center are held.

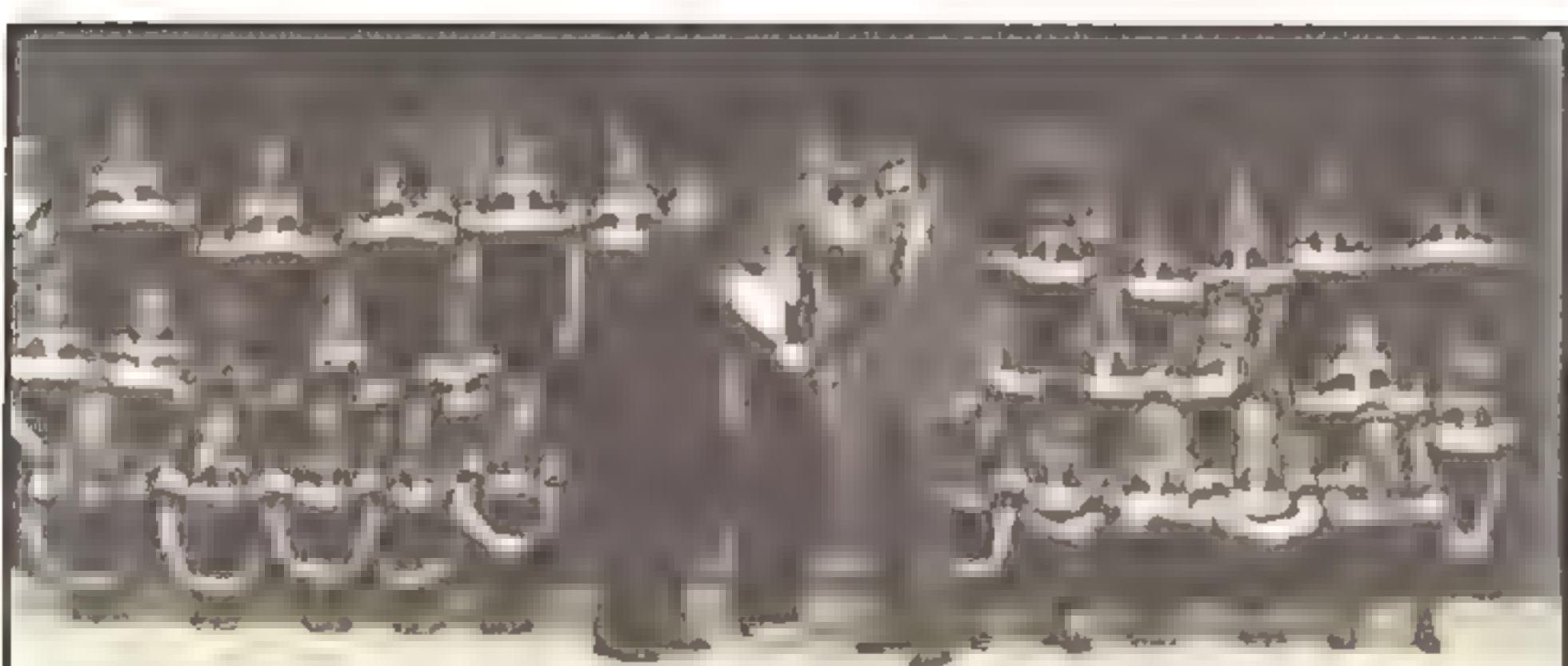
October... "Full Speed Ahead," the second annual convention, is held on Maui, Hawaii. The Marketing Department and Cunningham & Walsh unveil the "Smile America" advertising campaign.

November... Pizza Time Theatre donates a working Chuck E. Cheese Cyberamic to the museum of electronics at Foothill College, Los Altos Hills, Calif.

December... The 200th store opens in Hong Kong, franchised by the Whimsy Company, Ltd. The 100th company-owned store opens in Reno, Nevada.



The Blaine, Minnesota, Pizza Time (above) owned by the Mirada Corporation, won the third quarter Chuck E's Pride Award for a franchise store. Winner of the company store Chuck E's Pride Award, for the second time, is Jacksonville, Florida, below. Presenting the plaque to general manager Tom Dorey (right) and group coordinator Susan Davis (center) is Ray Mazlack, Eastern Region personnel manager



New Positions

Games

Fred McCord has been named to the newly created position of director of technical operations. Based at the corporate office in Sunnyvale, McCord is responsible for games field service including technical training for both company and franchise stores, game parts distribution, and store technician support. Ken Wagener, formerly a district director for franchise operations, has joined the games department as director of games operations.

Manufacturing

John Impson's new title is vice president and general manager, manufacturing division. His responsibilities include the new Milpitas manufacturing facility as well as the games manufacturing plant in Hollister. Ed Wartena has

been promoted to Director of Manufacturing

Operations

Joel Peterson has been named regional director, Eastern region. The following have been promoted to district directors for corporate stores: Tim Mamlis, Louisiana; Ed Sewell, Southern Texas; and Bill Traynor, Southern California.

Training

Bob Coltrane's new position is dean of Chuck E. Cheese's University where he has overall responsibility for the San Jose campus as well as for regional branches of the University in Texas and Florida. Jim Musgrave is now director of management development of Chuck E. Cheese's University.

Marketing

Don Schulte has been promoted to director of franchise marketing.

That's Entertainment

Pizza Time Theatre's Entertainment Department introduces those surfin' pups, the Beach Bowzers. A cosmetic change for the Beagles, these four blonds in baggies sing the original Beach Boys music.

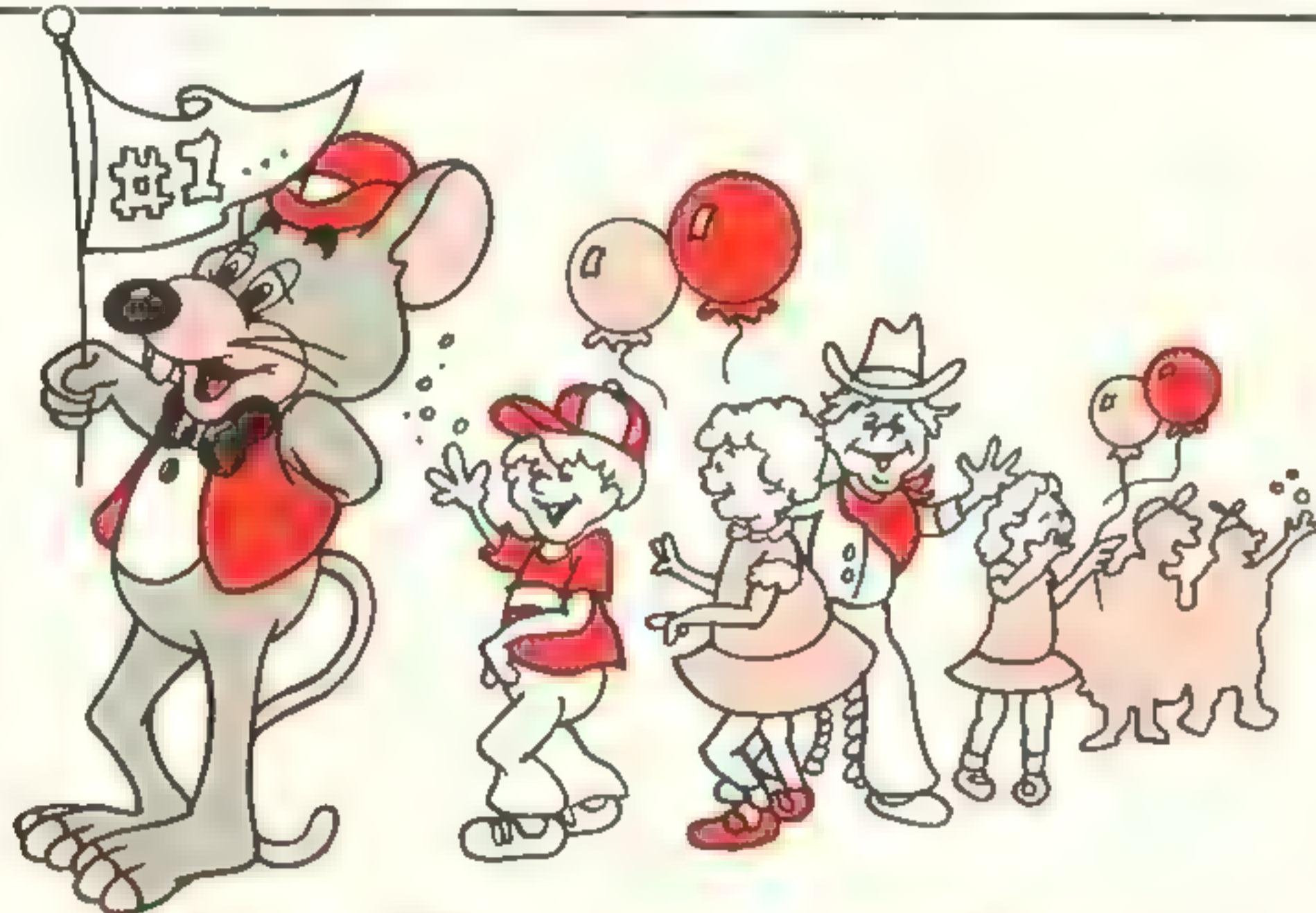
For circus fans, Miss B. B. Bubbles, a cosmetic change for Dolli and Arlie, makes her debut. She's 700 pounds of pink elephant singing a wide range of circus silliness, old favorites and new tunes.

Good news for Dolli Dimples fans! Her second show is now available and features songs like "You do something to me." The Beagles have released another album, "Sergeant Puppies Lonely Hearts Club Band," featuring favorite hits from their movies "Yelp!" and "A Hard Dog's Night." The King has a new show, too, with more golden hits.

On the main stage, Madame Ornk is back with her fourth show, "The World of Music." She's introducing a new character herself—the tune machine, a full-sized music computer that's half juke box and half time machine.



One of the regular visitors to the Springfield, Illinois, Pizza Time is Governor Jim Thompson and his family



How Clearwater Takes On The Competition

As the field of competitors grows, many Pizza Time Theatres will find themselves in direct competition for a single market. The Clearwater, Florida store has a ShowBiz, a Fuzzy Wuzzy's and a Wild Wild West in close proximity. General manager Bruce Merrill and his crew have done a good job of maintaining Pizza Time's lead in the area by using easy-to-administer promotions and an aggressive character appearance program.

When ShowBiz opened, Clearwater increased its character appearance schedule, getting Chuck E. into parades, hospitals, schools, and many other places, usually passing out Chuck E. Bucks. "Kids really take to Chuck E.," says Bruce. "ShowBiz doesn't do as many appearances as we do. I think one of the reasons is that Billy Bob (the ShowBiz character) is too big. He tends to frighten smaller children." Their walkaround characters also make appearances at theatres showing children's movies during the holiday season.

Fan club activity was also increased, with fan club nights held for members. Enrollment in the Corporate Fan Club, as well, rose to 30,000. "We set up free

token nights during the week for the larger companies in our area—those with 750 to 1,500 employees," Bruce continues. "When their employees bought a large pizza between 5 p.m. and 9 p.m., they'd receive unlimited tokens."

Bruce also stresses the need to create excitement within a unit. "Following a skit, we sometimes ask the children in the audience what the name of the song was the characters sang. The first correct answer receives either tokens, a backpack or a cap—usually items we have on hand from a promotion. This makes it seem there's always something special going on at Chuck E. Cheese's."

Clearwater also uses its ball crawl as a promotional item. "Sometimes we'll have a free ball crawl night," Bruce says. "Other times I'll get on the microphone and announce something like 'Val's new at working the ball crawl and she wants everyone to meet her, so just go up and say 'hi, Val' and you'll get in free.' Parents really appreciate us doing this for their kids, plus the employees love doing it, so it keeps the spirits pretty high around here and builds goodwill, which leads to repeat business."

Franchise News

Franchise Units Open

Twenty-three new franchise units opened in the last quarter of 1982. ETR, Inc. opened new stores in Stone Mountain and Atlanta, Georgia; Houston, Texas; and Boardman, Ohio.

Family Entertainment Centers, Inc. opened two units in Virginia and one in Essex, Maryland. On the West Coast, the Northwest Company opened two more units in the Seattle area while Oregon Pizza Time Theatre, Inc. opened a store in Portland.

Pizza Concepts, Inc. opened three more stores in upstate New York while Animated Family Restaurants opened their first in Wayne, New Jersey. In Tennessee, Pizza Entertainment Centers, Inc. opened another Michigan unit in Ferndale, and their first unit in the Chicago area.

Fun Pizza Partners of Solano opened a unit in Fairfield, California and Prime Time Ventures opened in Phoenix, Arizona. Internationally, Grundy Leisure of Australia relocated their Surfers Paradise store to Carindale, a suburb of Sydney, and Whimsey Co. Limited opened the first unit in Hong Kong.

Company Store Development

Leases have been signed for units in East Hartford, Bloomfield, Hamden, New Britain, and Southington, Connecticut. Leases also have been signed for locations in Scranton and Wilkes Barre, Pennsylvania. Land has been purchased for development of free-standing units in Pueblo, Colorado; Denton, Texas; and Tracy and Manteca, California.

A projected unit in Loomis, California (north of Sacramento) will be located on Bushnell Drive. Placer County has named the newly constructed access road to the site in honor of Pizza Time's founder, Nolan K. Bushnell.

The Construction Department has developed standardized plans for build-to-suit units of 10,080 square feet and 12,250 square feet. These free-standing units include playlands in place of cabaret or lounge rooms. The playlands feature such attractions as ball crawls, floor bounces, kiddie coasters, suspension bridges, spiral slides, shadow walls and play cubes. Plans call for locating cabaret characters in one end of the theatre-dining room with entertainment alternating between the Pizza Time Players' shows and the cabaret acts.

For Questions

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Chuck E. Says:



Convention Highlights

Pizza Time Theatre's second annual convention was October 1-5, 1982 at the Marriott Hotel, Maui, Hawaii. About 500 franchise owners, corporate employees and vendors attended the four-day event which included an opening general session and "Marketing 1983" presentation, Regional Franchise Advisory Council meetings, workshops, vendor information exhibit, Chuck E. Cheese's new products expo, and an awards presentation. The photographs highlight some memorable moments.

Winners of the 1982 Annual Chuck E. Awards

The annual Chuck E. awards, established at the first convention in 1981, are presented by Pizza Time Theatre to franchise and corporate store operations for excellence

Franchise Awards

- **Highest Single Week Sales Award** went to Steve Sammons and Bill McLaughlin of Pizza Concepts, Inc. for their Penfield, New York store.
- **Best Weekly Average Sales Award** went to Frank and Donna Jones, The Northwest Company, for their Federal Way, Washington store.
- **New Store Development Award** was accepted by Dave Roberts and Buz Kroner of Family Entertainment Concepts, Inc. for eight new stores opened in 1982
- **Marketing Award** went to Tom Pogemiller and Jack Atkin of Family Pizza Centers North, Inc. for their Loves Park and Springfield, Illinois stores.
- **Outstanding Achievement Awards** were presented to Rhobie Grogan and Ken Wagener, district directors for franchise operations.
- **Best Operations Award** went to Paul Justen and Eric Siegel, Mirada Corporation, for their four Minnesota stores
- **Innovative Contribution Award** went to Selwyn Chan and Bruce Gee of Profit Company, Limited for their Honolulu, Hawaii store.

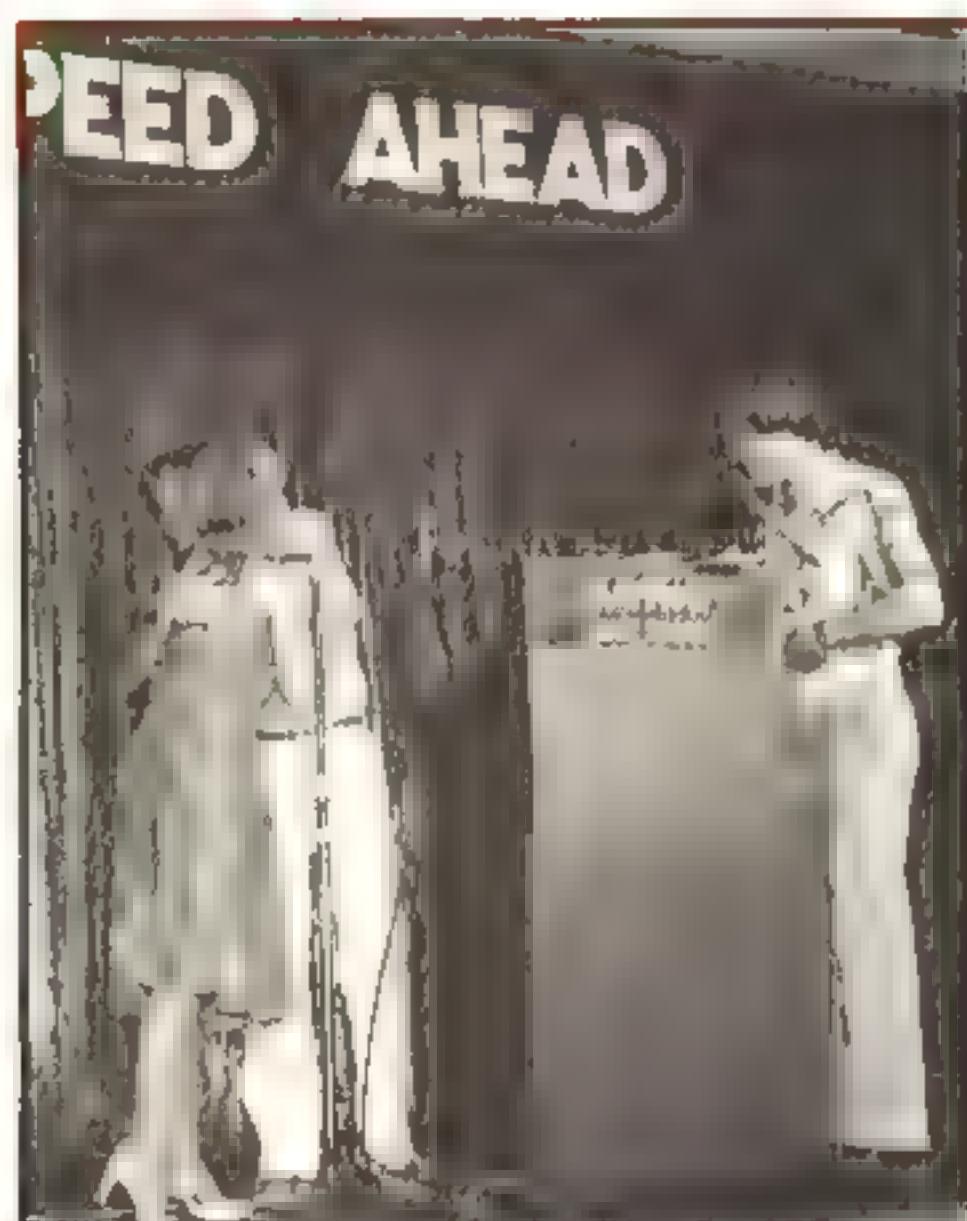


Nolan Bushnell signs the franchise agreement for England at the presentation breakfast. With him are, left to right, Jack Campbell, Per Homberg of Cherry Foreign Co., and Joe Keenan

in various categories. Listed below are the winning franchise owners, stores and corporate employees who were recognized at the awards banquet in Hawaii

Corporate Awards

- **Outstanding Achievement Award** went to Ken Wagener, district director for franchise operations.
- **Marketing Award** was presented to Jerome Johnson, general manager of the Walnut Hill, Texas store.
- **New Store Development Award** went to Dave Zitney, district director, District 3204 in Southern California, for opening eight new stores.
- **Highest Single Week Sales Award** was accepted by Bob Coltrane, district director of management development, for the Tully Road store in San Jose, California.
- **Lowest District Turnover Award** went to Keith Bakker, district director for District 3203 in Southern California.
- **Highest Percentage Profit Award** went to Ed Sewell, district director of District 3306, for the Military Road store in San Antonio, Texas.
- **District Operational Excellence Award** went to Ron Sasko, district director of District 3404, for the Jacksonville, Florida store.



Judy Murphy receives a congratulatory hug from Don Schulte after he and Ken Wagener presented her with an outstanding achievement award for planning the convention



Bill Gross of Forte Inc. gets a computer portrait drawn by senior illustrator Jack Nichols at the opening reception



Chuck E. and his date, Madame Oink, get acquainted with several franchise owners. Left to right: Bob and Marlene Dutcher of Oregon Pizza Time Theatre, Inc., Sam and June Hamra of HAV Enterprises of Missouri, and fellow Oregon franchisees Mike and Jan McGinnis



Entertainer Paula Mulcahy sings along with the Warblettes in the 'Full Speed Ahead' revue at the closing banquet. Paula also does the voice of Madame Oink for Pizza Time's theatre dining room shows



The store managers of the year take a bow on stage after receiving their awards. With them are Jerry Kenney, far left John Scott center and Jack Campbell, far right



Enjoying the opening reception are, left to right, R.C. Schmidt of Family Entertainment Centers of Wisconsin, Paul Justin of Mirada Corp., Minnesota, Nolan Bushnell, and Eric Siegel, also from Mirada



Graphics manager Daved Garza, second from right, discusses artwork with franchise principals of the Whimsey Co. of Hong Kong. Left to right: Robert Go, Jack Campbell, vice president, International, Gus Chow, and Philip Monas



Mike Ilitch and his daughter, Lisa, of Little Caesar Enterprises of Michigan, inspect one of the exhibits at the new products expo

Good Ideas



WPEC-TV's "P.M. Magazine" host Rock Rote, left, pictured with Chuck E. and volunteers at a Multiple Sclerosis fund-raiser, used the Lake Worth Pizza Time Theatre as a setting for one of his shows

Recently the Lake Worth, Florida, Pizza Time Theatre was featured on the local ABC affiliate's "P.M. Magazine" show, which reaches 57,000 households. How that happened is a good example of persistence and following up on leads by the store's group coordinator, Barbara Hayward.

Barbara met the show's co-host, Rock Rote, while participating in a fund-raiser for Multiple Sclerosis at a shopping center. The local paper took a photo of Rock with Chuck E. and published it.

Knowing that "P.M. Magazine" is always looking for interesting locations and stories for the show, Barbara sent a press release on

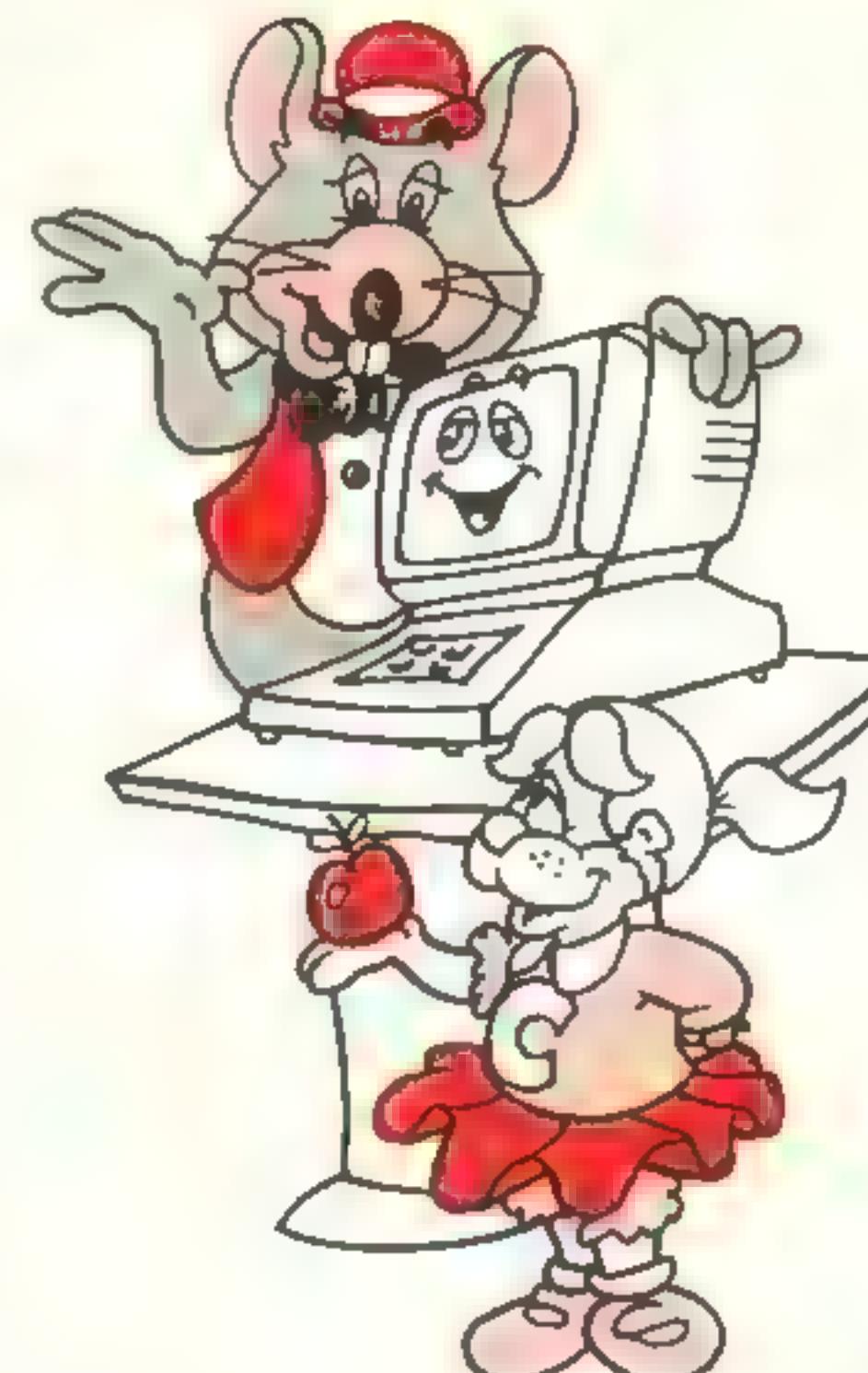
Pizza Time Theatre and a copy of the newspaper article to the station along with an invitation for the "P.M." cast to come to the store for lunch. She then followed up on the invitations with several calls, finally setting up a meeting.

Rock Rote, who hadn't heard of Pizza Time Theatre until then, was very impressed and said he wanted to do a show from there, especially since it would be the perfect place to introduce his new baby to viewers. However, two weeks went by and no word was heard from the TV station. Barbara sent another letter and more newspaper articles to Rock. Finally, after making additional phone calls, "P.M. Magazine" set a date and video taped in the Lake Worth Pizza Time

The show opened with the host sitting in the ball crawl as he introduced the evening's stories. Besides the game room, "P.M. Magazine" also highlighted the King, the Pizza Time Players, and children enjoying birthday parties. Barbara was even introduced as the person to contact for party reservations. In addition to the Thursday night broadcast, the television station made announcements earlier in the week to let viewers know P.M. Magazine would be at Pizza Time Theatre that night.

The show created a lot of interest in Lake Worth's Pizza Time Theatre in communities where it aired. "Many people who come to our store say they saw us on television," Barbara says. "It has really helped increase our birthday parties. We're the only Pizza Time Theatre in Florida doing over 100 a week."

Success with School Computer Program

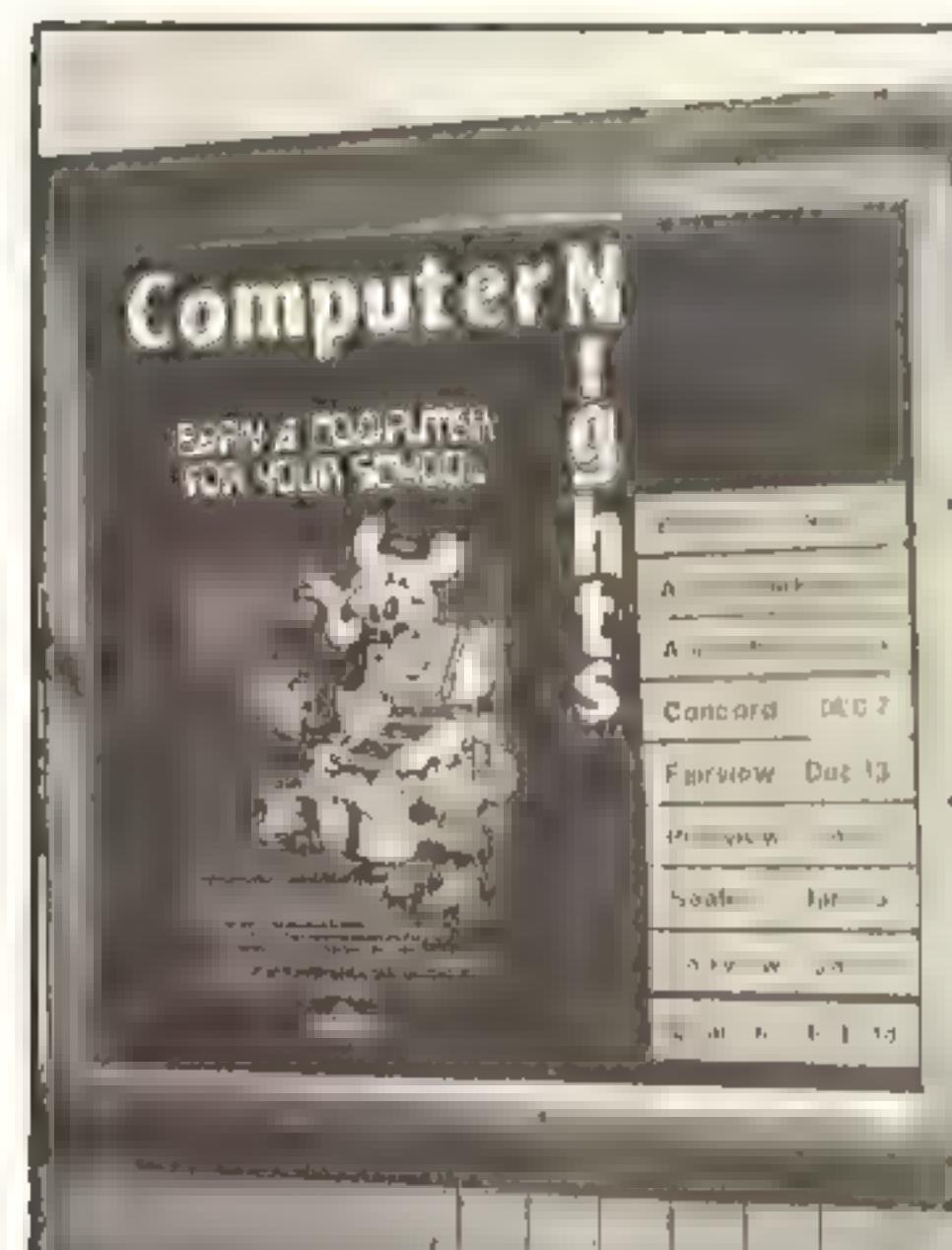


Many children in Tallahassee, Florida will be learning on computers earned by their school's participation in the Chuck E. Cheese Computer Program.

Jesse Durham, general manager of the Tallahassee store, reports great response to the program. By the first week of December, four schools had already held computer nights and completed sales of computer bucks. These schools were so successful in their fund-raising efforts that they have all ordered their computers, and several of them are ordering additional computers. Fourteen more schools are participating in the program and have booked

computer nights to be held in the following weeks.

Group coordinator Donna Clark worked closely with the local school board and invited school principals to the store for a presentation of the program. According to Durham, "Donna's hard work has paid off in increased sales and community support for Chuck E. Cheese." During the first week of December when two computer nights were held, sales increased over 30%. Durham also reports that feedback from the public has been great with many compliments to the Company for providing this worthwhile program.



The display screen on the Tallahassee, Florida store job board shows the Chuck E. Cheese Computer Program and the dates of the participating school's Computer Nights.

Food Standards and Purchasing Report

The following information was compiled by Linda Sako, director of food standards.

New Products

The Food Standards Department is expanding the private label food program through approved distributors whenever substantial purchase volumes can be justified. This is a means of controlling product quality and cost, and maximizing national availability of corporate's specified products. Two new additions include Chuck E. Cheese Italian Dry Salami and Chuck E. Cheese All-Beef Hot dogs, at reduced prices, which authorized distributors currently stock.

During summer 1982 our Chuck E. Cheese birthday cake was introduced in most Pizza Time Theatres. Since that time more than a dozen company stores have surpassed 100 birthday parties a week, a first for Pizza Time Theatre. Chain-wide sales are increasing dramatically. The cake is chocolate with a white buttercream frosting. Each is decorated with a molded sugar rendition of Chuck E. Cheese, candles, and the birthday person's name. Parties of six or more scheduled Monday through Friday between 11:00 a.m. and 4:00 p.m. receive a free birthday cake. The cake is available for sale at other times.

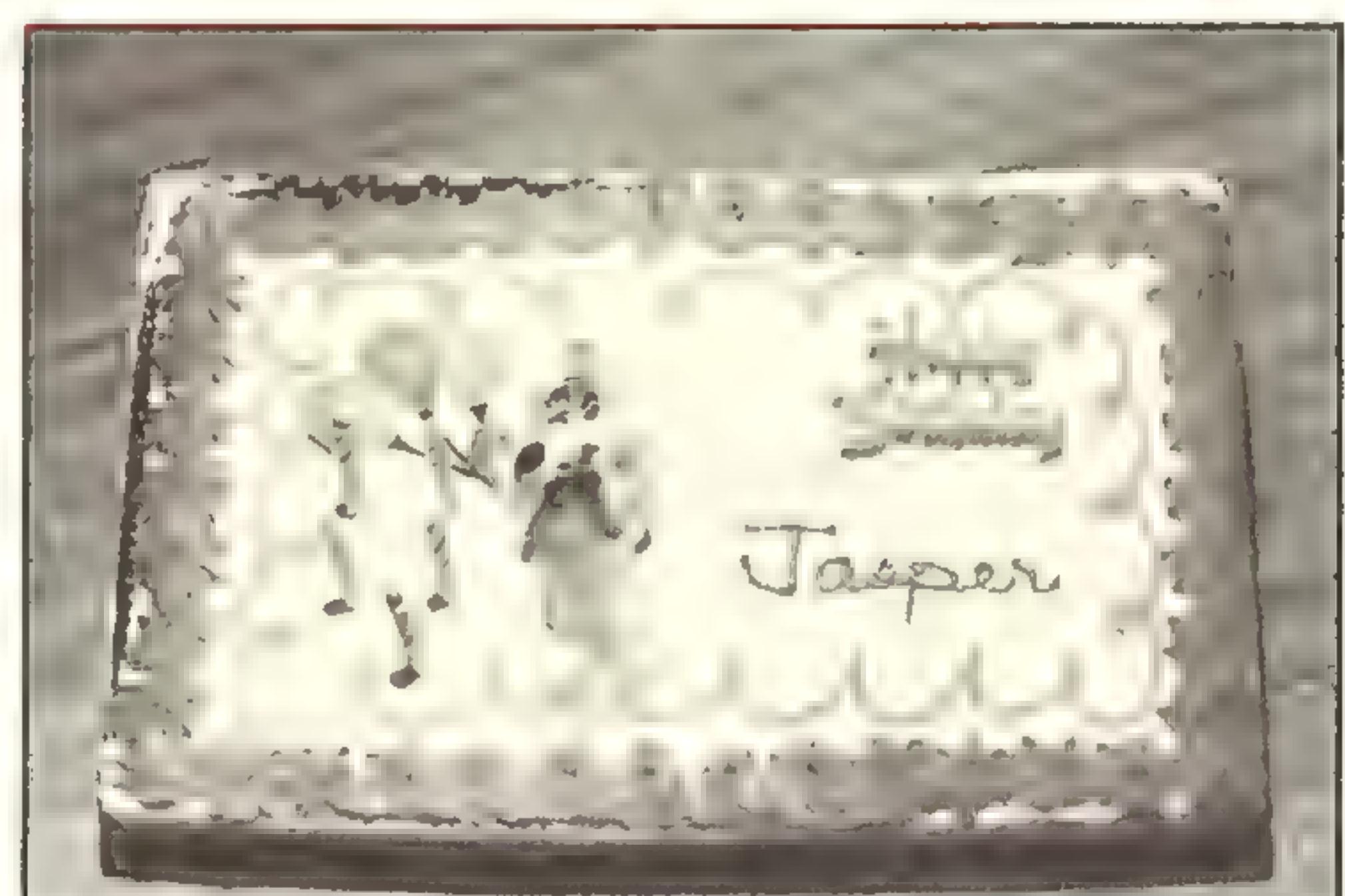
Salad Bar Program

Over the past several months an

upgraded salad bar program has been tested extensively in the North Bay district. As a result, a new comprehensive Salad Bar Manual will be distributed chain-wide in January. The manual includes detailed preparation procedures, new ingredients, smallwares recommendations, and a choice of ingredient layouts. The manual will serve as a means of standardizing a key part of Pizza Time Theatre's menu and to re-emphasize our quality food statement.

Pricing

- Flour prices will remain firm through the first of the year. A stable market is predicted in the early spring, contingent upon purchases by foreign markets.
- Pork prices have dropped slightly this winter. Particularly effected was PTT's pepperoni, which experienced a 9% price reduction. Minimal rises in beef and pork prices are anticipated throughout the remainder of the year.
- Tomato products have been contracted for the 1982-83 season in order to combat domestic shortages. As a result, prices should remain 10-15% below 1981-82.
- The Cheddar Market, which largely determines the price of all natural cheese, is expected



to fluctuate plus or minus 2¢ per pound between now and July. However, Congressional decisions to be made in late December will confirm 1983 prices.

- The cola industry recently passed on a 4% increase in pricing, which is attributed to rising costs of labor, freight, and packaging.
- Moderate price increases for paper goods are predicted in early 1983, preferably no more than 4-5%.

A complete commodities report, outlining more 1983 price predictions will appear in the first quarter, 1983 issue of THE PIZZA TIMES.





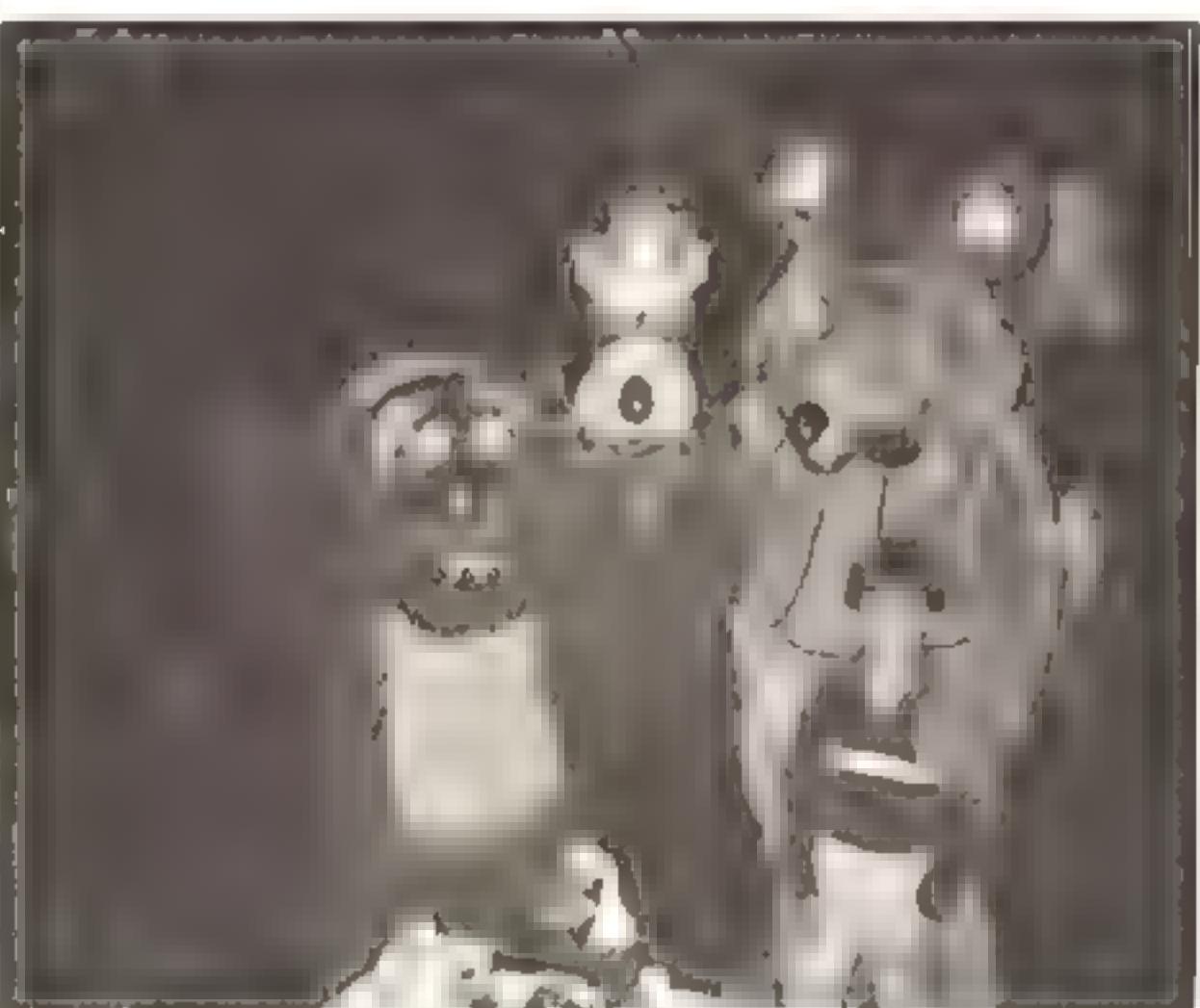
A young boy in a cowboy hat and a dog in a cowboy hat standing next to a large truck, possibly a fire truck, at a 'W.A.W. - Ho' event.



Chuck E. Cheese's Pace Car, the Intimidator, takes part in the race at the Tampa speedway.



Chuck E. and Jasper from the Dept Street PTT, Fort Worth, Texas, appear on a popular children's television show.



Munch, Jasper and Chuck E. celebrate Jimmy Wilson's 100th birthday at the Citrus Heights, California, PTT. It was the 100th birthday party held that week at the store, the first PTT in the district to reach this goal.

Munch, Jasper and Chuck E. celebrate Jimmy Wilson's 100th birthday at the Citrus Heights, California, PTT. It was the 100th birthday party held that week at the store, the first PTT in the district to reach this goal.

In Hampton, Virginia, Chuck E. has been visiting schools, promoting good reading habits and encouraging kids to wear seatbelts. The Pensacola, Florida store had a Halloween party and costume contest with over 150 entrants. Ten free tokens were given with food purchases for anyone in costume. The store had its second best sales day since opening!

Lake Worth's Pizza Time hosted the 80th birthday party of the Children's Home Society of Florida, a service of the United Way and Community Chest. The Party was covered by the local news paper and television station. In Tampa Villages, St. Lawrence School had a fundraiser using Chuck E Bucks and a Community Involvement Night. Over \$1,100 were made toward a

Starring the Stores



Personnel from the Salina, the corporate stores compete in the Battle of the Corporate Stores with several stores in the area. This is just one of many fun events having a lot of fun in the process.



Members of a church youth group wave goodbye at 6 a.m. after an all night party at the Daytona Beach, Florida store. About 700 attended the event.



"The Count" and Chuck E. strike a pose at the Pensacola, Florida store's Halloween costume contest, October 30th. It was the second biggest day of sales in the unit's history.



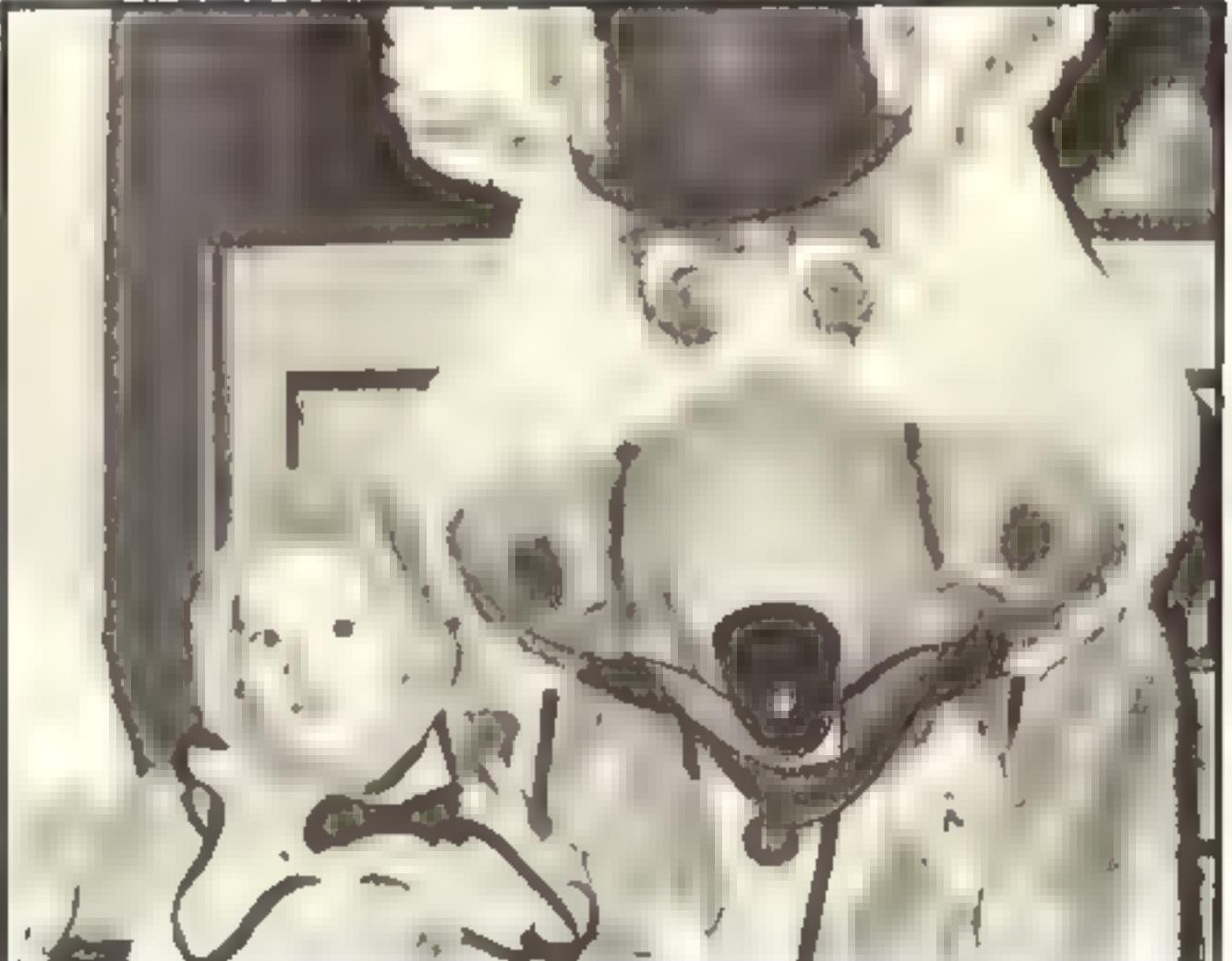
At the State Fair in Syracuse, New York, our favorite characters from the nearby Salina Store persuaded a friendly elephant to give them a ride. The Chuck E. Cheese petting zoo at the fair, sponsored by the Pizza Concepts Inc., was a great success.



In Boise, Idaho, Chuck E. Cheese has done a lot to help the Cystic Fibrosis Foundation. Here, he surprises a cystic fibrosis patient with a cake and balloons on her birthday.



The Plantation PTT staff, sponsored by Muscular Dystrophy Awareness, make a donation which raised \$1,000. Shown here presenting a check to Chuck Fennell (left) are Mark Weber, group coordinator, and Rhonda Kaminsky, group coordinator.



Chuck E. poses with a piñata look alike during the Halloween party at the Ferndale, Michigan store.

school air-conditioner. Also in Florida, group coordinator Rhonda Kaminsky from the Plantation Store spoke to 580 elementary school students on pride in the school and compared it to the Chuck E's Pride Award.

Lynn, Washington reports they're doing great against a recently opened ShowBiz nearby because of their top-notch crew and Chuck E. Cheese's reputation. The Salinas, California, store had a Community Involvement Day to raise money for a local football league. The store also helped boost league program sales with a special discount insert and character appearances at games. In Charlotte, North Carolina, Chuck E. Cheese rode on a float in a Thanksgiving parade with 12 children whose names had been drawn in a con-

test in the store.

In Fort Meyers, Florida, Chuck E. appeared at a department store that gave free Polaroid pictures to kids who came in. The department store also paid for a big newspaper ad that announced the event. The Jacksonville, Florida, Pizza Time had a Community Involvement Night with the Big Brothers and Sisters. A television station filmed the huge 4 by 8 foot cake the group brought.

Chuck E. attended a picnic in Utah where President Reagan spoke. The secret service wouldn't clear the "Big C" so he could meet the "Gipper" and thank him for the birthday telegram, but they let him onto the picnic grounds where he passed out Chuck E. Bucks to the apprecia-

tive crowd. In Jackson, Mississippi, franchise owners William Melvin and Richard Ciaccio took out a full page ad in the local paper thanking the community for its support during the store's first year.

The Ocala, Florida, store had two costume contests per day for Halloween, with promotional items used for prizes. Winners were picked by parents applause. Chuck E. also makes two visits a month to the local hospital, checking in on both pediatrics and geriatrics. The seniors enjoy a visit from Chuck E. as much as the kids! Pompano Beach, Florida, brags that they had the first mainland appearance of the 30 foot in flatable Chuck E. Cheese. Very appropriate, since the Goodyear Blimp makes its winter home in Pompano Beach as well!



Ken Anderson, quarterback and team captain of the Cincinnati Bengals, visited the Florence, Kentucky, Pizza Time in support of the Mother's of the Special Children Community Involvement Day. With him is Troy Ellis and his sister, Christen, the poster child for the greater Cincinnati area March of Dimes.



Chuck E. Cheese's girls softball team in National City, California, poses for a team photo.



San Diego Charger Charlie Joiner, left, had a birthday party for his daughter at the El Cajon Pizza Time. Pictured with Joiner is fellow Charger James Brooks.



A dough rolling contest was held between the Stockton, California, and Sacramento Arden Way Pizza Times to see who could make the most skins in an hour. Bridget Park, left, of Sacramento narrowly beat Mike Whitley, right, of Stockton.



Chuck E. Cheese joins his friends on the ice at Tandy Center in Fort Worth during the Western Day skating party.



Young model poses with Chuck E. during a fashion show benefit for the Muscular Dystrophy Association held in Bloomfield, Michigan.



Pascal Muller, an exchange student from France, interned this summer at the Tully Road, San Jose, California store. Here, he is shown with Keith Dupen (left) and Fred Sennewold (right).



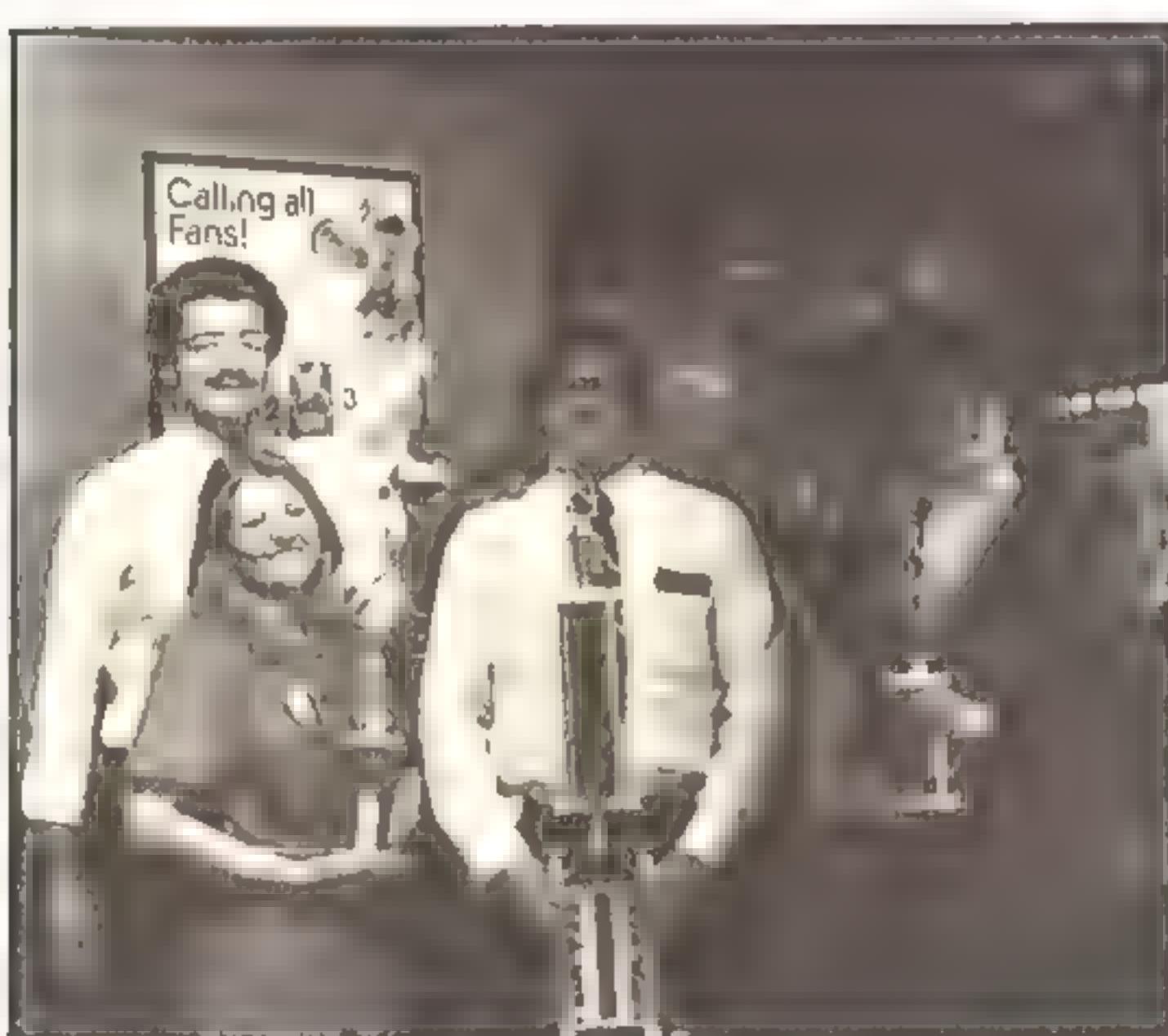
Chuck E. uses his tail as a starting flag at an auto rally club in Beaverton, Oregon.



Chuck E. Cheese sponsored the Stanford Aquatic Club's water polo team from Northern California at the Junior Olympics in Memphis, Tennessee. After winning first place, the team celebrated with a party at the Pizza Time Theatre in Memphis.



Matthew and Patrick Labreche, from "Little House on the Prairie," had a fundraiser at the San Diego-El Cajon Boulevard Pizza Time Theatre for the Youth Rescue Fund, an organization they started to help runaway children.



The softball team from the Akron, Ohio PTT took first place in the city's slow pitch league. Shown here with the trophies are (from left) Tina McCoy, promotional coordinator; Brian Kratt, food manager; Ken Kostal, operations manager; Chuck E. Cheese, and Judy Hennessey, general manager.



The Loves Park, Illinois, Halloween Fan Club Party brought out a lot of young Pizza Time Players, including this junior Jasper, Chuck E. and Pasqually.



Fredbird, mascot of the St. Louis Cardinals, gives his new friends from the St. Charles Pizza Time Theatre a warm welcome when they appeared at Busch Memorial Stadium.

THE PIZZA TIMES - DECEMBER, 1982
(Volume 2, Issue 4)

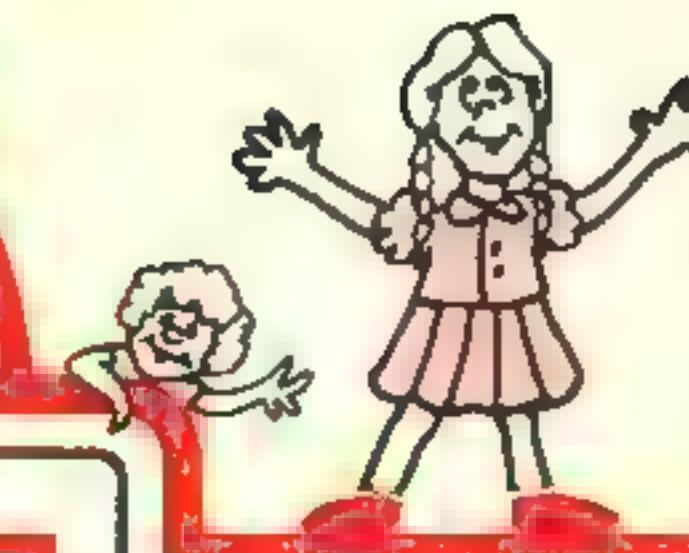
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Submission by Kathy H.

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The Pizza Times

Volume Three, Issue Two

June 1983

NEW ATTRACTIONS

Play'n Place —Just For Kids!



If you're under four and a half feet tall, there's an exciting world of fun awaiting called Play'n Place, Pizza Time's unique indoor playground. Originally called "play-land," the first unit opened in Las Vegas #1 in May of last year. Presently, 53 Play'n Place attractions have opened or are under construction, with 90 planned to be in operation by the end of the year.

Play'n Place was developed by Bill Caldwell, special projects construction manager, who worked with architect Steve Lippert in designing the units to fit in Pizza

Time Theatres. Designers Paul Mestemacher, Bill Stephenson, Tom Rogers and Carl Wesenberg draw up plans for individual stores. Pizza

Time Theatres 10,000 square feet or larger in size can accommodate a Play'n Place. The play area may be either 32 by 50 feet or 40 by 60 feet in size. At 3,700 square feet, the St. Petersburg, Florida Play'n Place is the largest.

Up to 12 activities can be incorporated into a Play'n Place. The average installation features a ball crawl; slides; a small, gravity-powered roller coaster; a bounce floor and a suspension bridge.

Access to the attractions is by

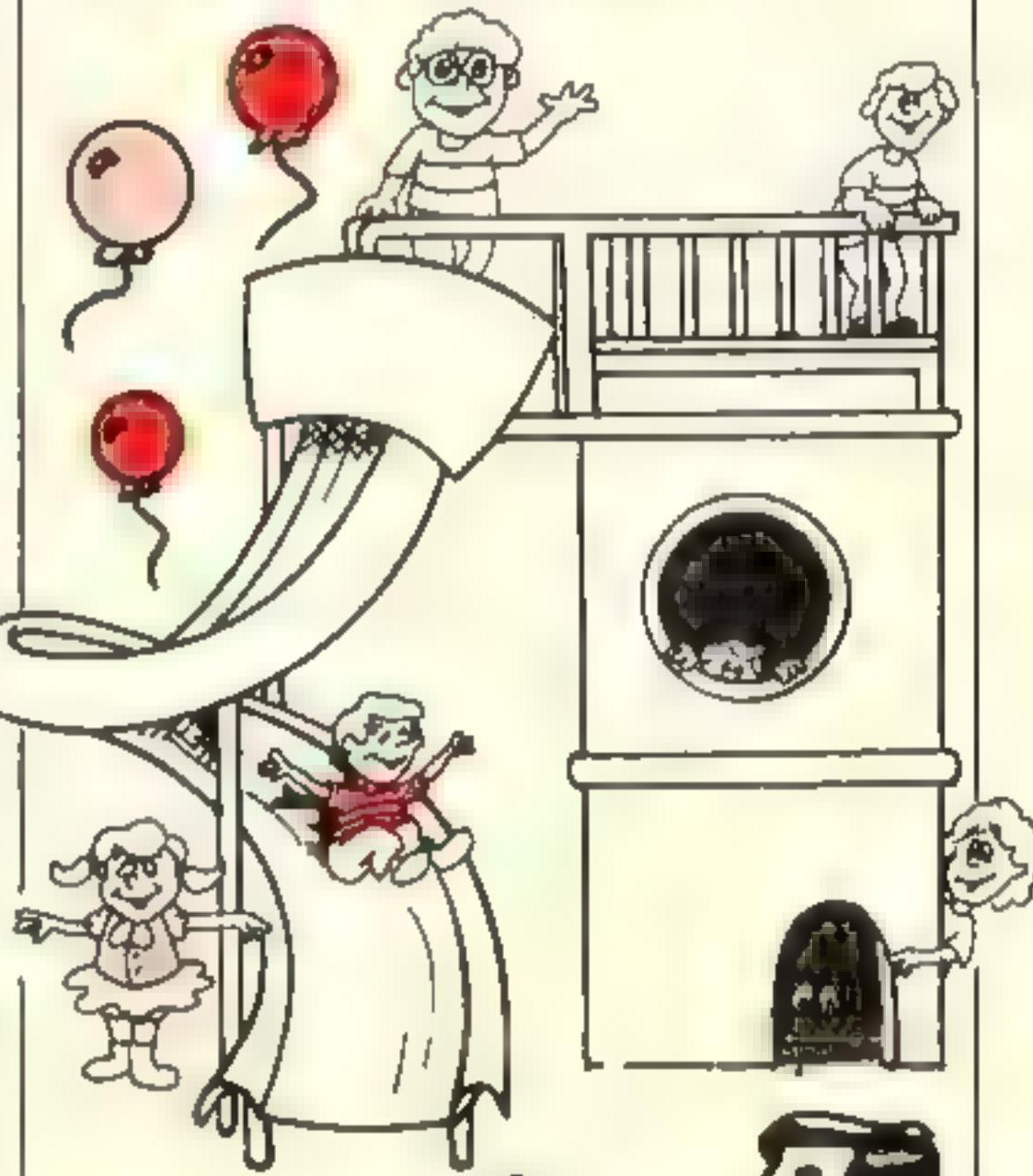


tokens and there is an attendant present to be sure everyone entering removes his shoes and plays safely.

Although the Play'n Place concept is just a year old, several changes have been made in the design to hold the line on cost and maintenance, according to Bill Caldwell. "The new units are structured around the use of high density foam rather than wood. That makes them 30 percent lower in cost and doesn't require painting. They're also prefabricated now to increase standardization and reduce construction time."

Centers that feature a Play'n Place find it becomes one of the most popular attractions. During its first 30 weeks of operations, the Lawton, Oklahoma store generated

\$50,840 in Play'n Place revenues. Not only is it a good source of revenue, but Play'n Place helps maintain Pizza Time's position as the leader in family entertainment.



FUN ST.

Cheese E. Street, one of Pizza Time Theatre's newest attractions for young customers, has opened in four locations including Milwaukee, Wisconsin; San Jose (Kooser Road), California; Danvers, Massachusetts; and Norriton, Pennsylvania.

Standing 12 feet high, 32 feet wide and 20 feet deep, Cheese E. Street features a store front facade with an animated window display of a cheese factory scene. Children enter through a token-operated turnstile. Inside are tri-level crawls and passageways, an echo chamber, funhouse mirrors, a telephone that can be dialed to hear several melodies, spiral slides, a spinning crawl-through tube and various other features. These amusements, which will be updated periodically, include some educational play elements, as well.

"A windowed hallway along the side allows parents to watch their children as they explore the Cheese E. Street interior," commented creator Kip Atchley, special projects coordinator for the Games Department. "This ensures the children's safety and entertains the parents, as well," Atchley explained.



Kip Atchley, left, and his design partner, Reed Lawson officially open Cheese E. Street April 22 in the San Jose (Kooser Road) Pizza Time.

Many people assisted Atchley in the development of Cheese E. Street. Daved Garza, Jeff Severn and Karen Mitchell of the Graphics Department designed and produced signage, illustrations and interior design elements. Other

artwork was created by senior illustrator Jack Nichols from the Entertainment Department Consultant Gene Patrick, who produces musical shows for the Pizza Time Players, supplied the music and sound effects for the attraction.



Pete Mirrione and his staff from the Hollister manufacturing facility custom-built the prototype Cheese E. Street facade. A mold was made from the original wooden creation and now all facades are molded from fiberglass.

The first Cheese E. Street opened in April in the Milwaukee store. Franchised by R.C. Schmidt, the 20,000 square foot unit also features an extensive playland area.

The opening of the second Cheese E. Street in the San Jose (Kooser Road) store was celebrated with a ribbon-cutting ceremony on April 22. Within the first eleven days of opening, the attraction netted \$3,400 with total store revenues up 24% from the same time last year. Franchise owner Tom Saltsman installed Cheese E. Street in his Danvers, Massachusetts location in April and franchise owner Murray Isadore recently opened his Norriton, Pennsylvania unit complete with Cheese E. Street in June.

Cheese E. Street will be installed in several larger company stores in Florida and Texas during the next 12 months.

Pizza Time's Games Subsidiary Is Sente Technologies

Sente Technologies is the name of Pizza Time Theatre, Inc.'s newly formed games manufacturing subsidiary. The word "Sente" (pronounced "cen-tay") is a term from the Japanese game of Go and is the equivalent of "checkmate" in chess.

To date, the games division includes a group of 28 research and design engineers and support staff under the direction of Roger Hector, Sente's vice president of engineering. The R&D group, located at 1289 Anvillwood Avenue in Sunnyvale, is developing ideas for coin-operated video games.

Also under the Sente umbrella is the manufacturing facility in Hollister. Currently, Chuck E. Cheese Roll games for Pizza Time Theatres and similar target bowling games for sale to outside customers are being built at the Hollister plant.

After October 1, 1983, the manufacturing of any video games developed by the R&D group will commence at the corporate manufacturing facility in Milpitas under the direction of John Impson, Pizza Time's vice president of manufacturing.

Sente's marketing and sales activities, under the direction of Bob Lundquist, Pizza Time's vice president of special projects, will begin after October 1 as well. According to Lundquist, Sente hopes to introduce a new game in October and two others by the end of the year.

When asked how ideas for new games are generated, Lundquist explained, "In a creative session, people from the R&D, manufacturing and marketing staffs get together and throw out a lot of ideas. With input from everyone, we boil them down to one or two possibilities." Lundquist also emphasized that Sente wants to hear from anyone in the company who has an idea for a game.

Sente is planning an inaugural celebration on October 1 at the Sunnyvale corporate headquarters. Festivities for the day will include game previews, a multi-media show and presentations from top management.



The Pizza Times is published quarterly by the Corporate Communications office 1213 Innsbruck Drive, Sunnyvale, Calif., 94086, (408) 744-7371.

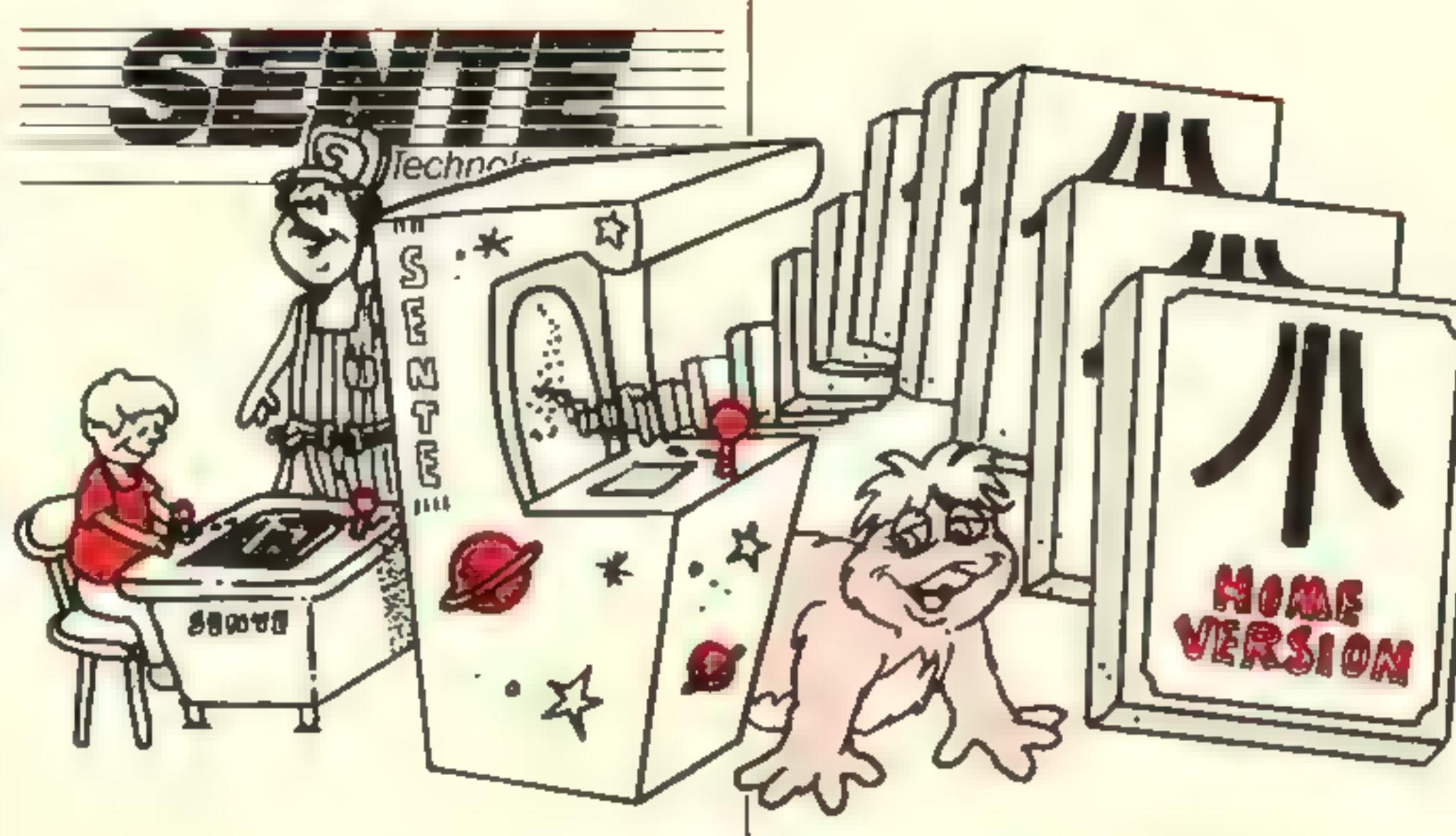
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Pizza Time Announces Agreement With Atari

Pizza Time Theatre, Inc. and Atari, Inc. announced on May 26 an agreement under which Atari has purchased the consumer rights to coin-operated video games developed by Nolan Bushnell, Joseph Keenan, Pizza Time Theatre, Inc. and Sente Technologies, Inc.

Under this agreement, Atari will sell the home version of the coin-op games developed by Pizza Time. Pizza Time, through Sente Technologies, plans to begin marketing its new coin-op games after October 1.

Commenting on the agreement, Bushnell said, "I'm looking forward to our association with Atari. The combined strengths of our companies offer great opportunities for both of us."



From Haunted House To Fun House

Kip Atchley, creator and designer of Cheese E. Street, came to the job with unusual qualifications. Hired by Pizza Time in July of last year, Atchley, 25, is the creator and proprietor of the Haunted Halloween House in Napa, California. Started in a chicken coop on his parents' property when Atchley was only 12, the haunted house has grown trickier and more elaborate over the years and is now rivaled only by the multi-million dollar attraction at Disneyland. Atchley's friend Reed Lawson was the electronics wizard on the project and the two have worked together over the years enhancing and adding to the original haunted house.

The spooky attraction features a maze of darkened tunnels, a trap door where visitors plummet into a foam rubber pit, spinning floors,

revolving barrels and elaborate sound effects. An electronic control room monitors the visitor's progress through the maze and turns on the special effects at strategic moments.

Atchley, who has worked at other jobs including marketing and sales for a surgical instrument company, admits to putting about \$25,000 into the haunted house over the years but has never charged visitors to go through it. Says Atchley, "I gained a world of knowledge building the project and have had lots of fun making people happy."

After Pizza Time's Chairman Nolan Bushnell toured the haunted house last summer, he approached Atchley with the idea of creating a fun house-fantasy land kind of attraction for Pizza Time Theatres. Nine months later the result of Atchley's fertile imagination is

Cheese E. Street. Judging from the enthusiastic reception Cheese E. Street is getting from children and parents alike, Atchley is continuing to have fun making people happy.



Kip Atchley with a model of Cheese E. Street.

Many Attend Second Annual Meeting

More than 350 attended Pizza Time Theatre's second annual meeting, April 27 at the Tully Road store in San Jose.

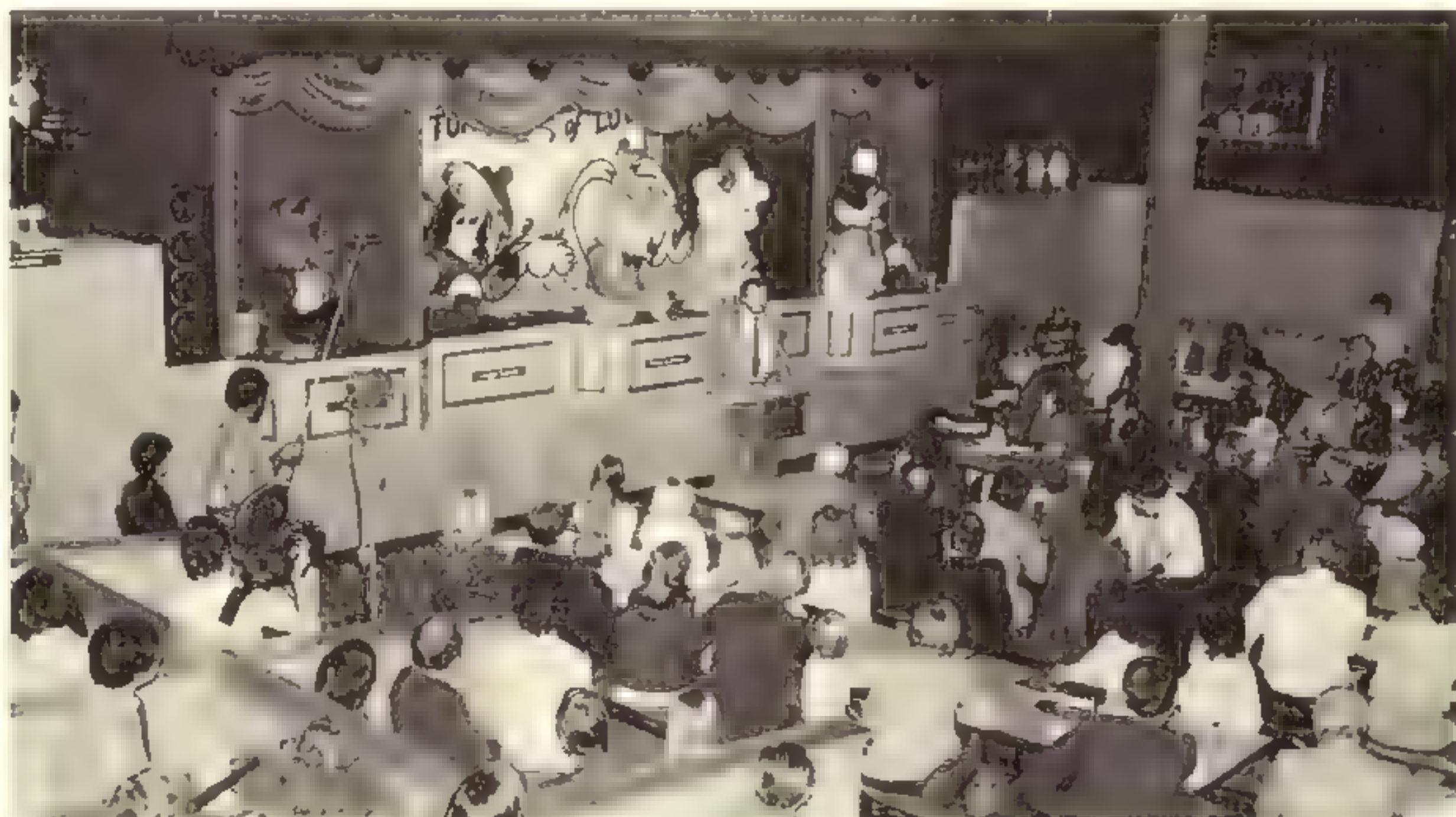
On the agenda was the approval for the increase of the board of directors from six to seven members, and the election of the members; approval of the 1983 Employee Incentive Stock Option Plan; approval of the 1983 Non-statutory Stock Option Plan; and the ratification of appointment of

auditors.

Board members elected are Nolan K. Bushnell, Joseph F. Keenan, Joseph F. Callahan, Wallace R. Hawley, Stephen H. Leiberman, Bruce H. Munro, and Donald T. Valentine.

The formal business was followed by a 40-minute question and answer session. In addition to store operations, discussion included plans for Sente Technologies, PTT's

games subsidiary, and Kadrascope, the computer animation/cartoon project. Chairman Bushnell commented, "We see ourselves as a high technology company as well as a restaurant company." Bushnell closed the session by saying, "Pizza Time is a good company and we're excited about the future. We're going to make Pizza Time Theatre a household name. We're going to have a lot of fun bringing fun to the people of America."



Chairman of the board Nolan Bushnell tells a capacity crowd at the second annual meeting some of Pizza Time's plans for the future.

Group Efforts Boost Sales

Dramatically increasing sales is both an individual and group effort. Two good examples of this come from the Eastern Region stores in Waterbury, Conn. and Brandon, Florida. With careful advance planning and hard work they were able to raise sales \$20,000 in one week by taking advantage of school holidays.

In Waterbury, a school holiday from February 18th to the 26th was targeted as a good week for added sales. Three weeks prior to the date the store gave 17 tours and passed out 3,500 Chuck E. Bucks on nine character appearances in the community.

In addition, tours, birthdays and regular customers were always given a bounce-back coupon to encourage return visits. Chuck E. also regularly appeared at a regional shopping mall. All this, plus managers and a cast committed to customer entertainment, laid the groundwork for Waterbury's \$55,000 in revenue for the week ending February 24.

On top of that base, groups, birthdays and fundraisers added incremental income of over \$10,000. Eleven groups contributed \$3,000 in sales. Over 1,600 birthday packages were sold, plus Super Buck sales added another \$1,300. These three areas accounted for nearly 20 percent of sales.

Waterbury's sales plan was a success because of the teamwork of the entire cast, including district director Fran Maun; general manager Mel Tudry; group coordinators Laurene Guerrera and Sue Mauro; and store managers Rezik Kharman, Phil Pettay and Allan Wight.

In Brandon, manager Guillermo Hernandez showed how one person can make a difference in sales. Guillermo booked a church group of 800 people at \$5 per person during Thanksgiving week. In spite of being closed on that holiday, Brandon finished the sales week up \$4,000.

During Easter week, Guillermo received encouragement from general manager Donna Laytart to book parties before and after operating hours. Using his days off and slow periods in his shift, Guillermo contacted every church in the Tampa Yellow Pages with a letter or phone call. Even though a special group package was approved for his use, sometimes it would take many calls to book the party.

The effort paid off, however, as Brandon had sensational Easter week sales of \$45,000. The groups booked by Guillermo totalled \$20,000, or 44 percent of sales. Following his success, Guillermo was promoted to general manager of the Tampa-Villages Pizza Time Theatre.

Winners



Chuck E. Runs For Kids

Pizza Time Theatre sponsored the 12th Annual Angel Island Run May 7 to help raise money for underprivileged children. The 4.8-mile race, held on a scenic island in San Francisco Bay, attracted over 1,500 participants, including Pat Saign and Don Schulte of marketing, Steve Merchant of finance, Tina Ahmann of wardrobe and Karen Mitchell of graphics, who organized the event. Don ran the entire race in the Chuck E. suit and finished in 44 minutes,

actually beating many normally-attired runners.

Walk-around characters from the Redwood City Pizza Time rode over on the ferry and welcomed the arriving runners, hikers and picnickers. Also on hand was the 30-foot inflatable Chuck E. Cheese, which was set up on a hill, waving to passing sailboats.

Pictured: "Dancing Don Schulte, wearing the Chuck E. jogging outfit, waltzes across the finish line (with a little help from Diane Saign).



In the lounge of the Jackson Pizza Time (above) are, back row, left to right: Darold Melvin, Wardell Dodd, Dick Ciaccio, Doris Ciaccio, Frank Peel, Ross Albers, Mike Gator, Sandy Melvin, and Bill Melvin. Middle row, left to right: Tony Melvin, Harris Magruder, Van Gunter, Glen Melvin, J.C. Wisznia, and Kay Gribskov. Front row, left to right: Allison Bullock, Katherine Sikes, Ashley Darmer, Melissa Gribskov, Amy Purser, and Chuck E. (Rodney Lane).

The entire cast of the Sacramento (Arden Way) Pizza Time (below) assembled for the presentation of the Chuck E. Pride Award, including Patrick Flannagan, second from left, and, center, left to right: Candace Labane, Jody Christy, David Crosswhite, Dennis Clairmont, Steve Troike, Cliff Lewis and James Moore.



Chuck E.'s Pride Award Winners

The first quarter Chuck E.'s Pride Awards have been won by the Jackson, Miss. franchise store and the Sacramento (Arden Way) company store. It's the first time a unit in the South (outside Florida) or Northern California has won this prestigious award.

Selection of the franchise winner is made by Don Marks, franchise vice president, based on store inspection reports from district directors. Jerry Kenny, director of operations, makes the decision for company stores based on recommendations from the regional directors. Both decisions are based on overall excellence in operations of a Pizza Time Theatre.

The Jackson Pizza Time, which opened in August 1982, is franchised by Dick Ciaccio and Bill Melvin. Frank Peel is the general manager. Ross Albers, Wardell Dodd and Mike Gator are the managers. Kay Gribskov is the promotional coordinator. Ed Hmielewski is the franchise district director.

The Sacramento (Arden Way) store opened in February 1982. Dennis Clairmont is the general manager. Cliff Lewis and James Moore are the store managers, while David Crosswhite is the shift manager. Jody Christy is the group coordinator and Patrick Flannagan is the technician. The store is in district 3202 with Steve Troike, district director; Don Smith, regional service manager; Jerry Emerson, district service manager; and Candace Labane, marketing sales representative. Rick Sikorski is the Northern California regional marketing director.

Pensacola's Award-Winning Tech

The Pensacola, Fla. store won the Game Room Operations Award for the Eastern Region in 1982. All of the credit for this honor goes to tech Craig Duck, who also was voted technician of the month for November.

In addition to maintaining all of the Cyberamics and games (the Pensacola store averages less than two percent of games down,) Craig has established excellent rapport with the staff and customers. He holds periodic meetings with the game room employees and often acts as chief game room attendant during the day.

Craig also designed the highly successful "Video-In-The-Dark" promotion for the store's Halloween party. In addition to all his work at Pizza Time, Craig attends school full-time, working toward his B.S. degree in electronics management.



Franchise Units Open

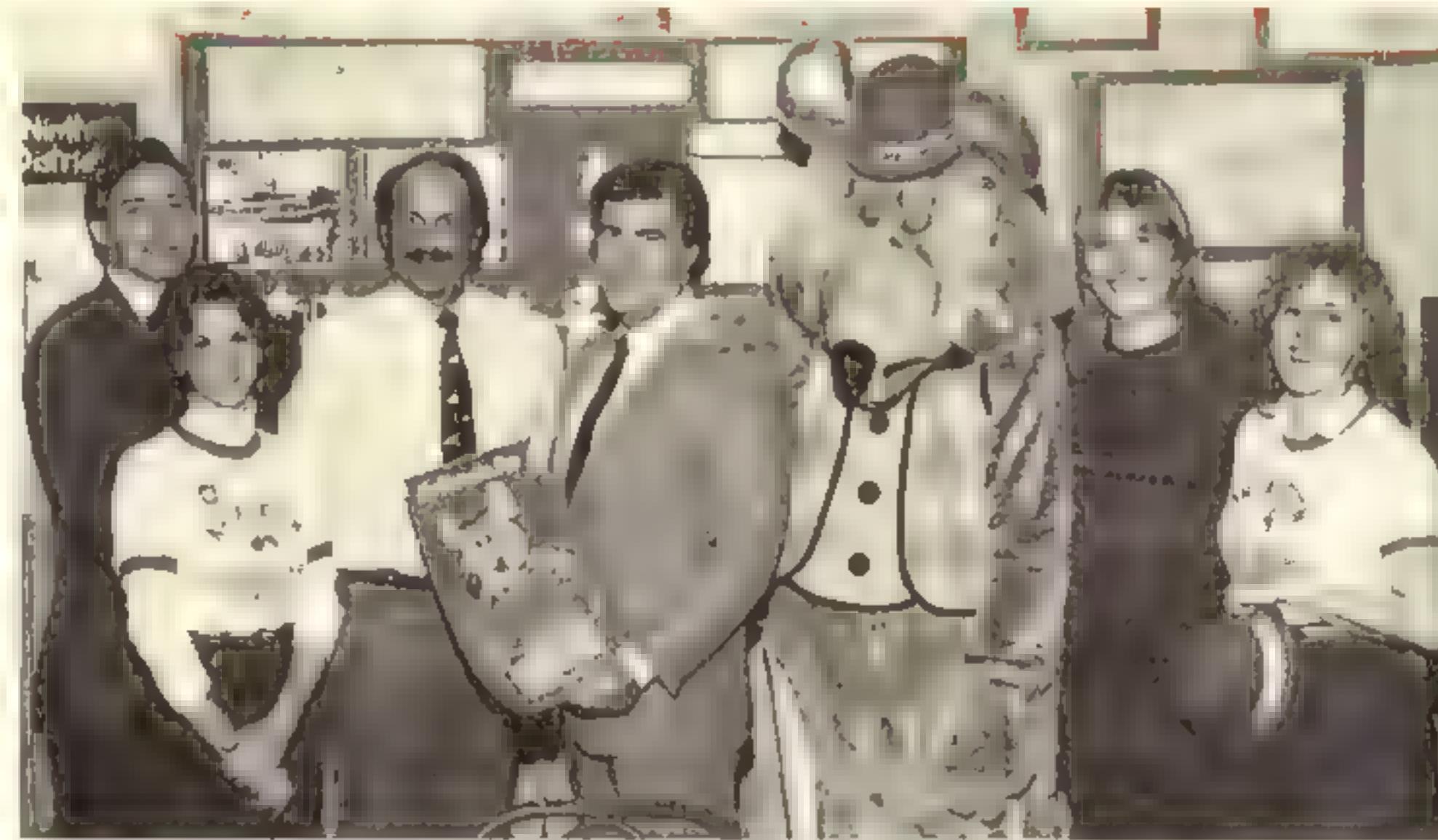


Thirteen franchise units opened during the second quarter. Tim Finnerty, Chuck E. Cheese Spokane Limited, opened his first unit in Spokane, Washington, while John Pera, Wencal Management, Inc., opened his second in Valencia, Ca.

R.C. Schmidt from Family Entertainment Centers of Wisconsin, opened his third unit in Milwaukee while Pat Hopf of Family Entertainment Centers opened units in Marlow Heights, Maryland and Virginia Beach, Virginia. Two more Minnesota stores were opened in Duluth and Richfield by Paul Justin and Eric Siegel of Minnesota Animated Theatres while Steve Sammons of Pizza Concepts opened two more New York stores in Johnson City and Schenectady.

Several other franchise groups opened theatres this quarter. Tom Saltsman's Pizza Time Partners Ltd. opened a theatre in Danvers, Massachusetts; Mike Ilitch's Little Caesar Enterprises opened one in Hoffman Estates, Illinois; Richard Berland's Family Showtime Theatre, Inc. opened a unit in Long Island, New York; and Murray Issadore's Showtime Services opened a store in East Norriton, Pennsylvania.

Franchise News



TV personality, Bob Braun, center, and representatives of the Special Olympics, thank Jim and Barbara Bernstein, third from left and second from right, of the Florence, Ky., store for their help in raising over \$3,000 for the Special Olympics of Northern Kentucky



Jan and Mike McGinnis of the Beaverton, Ore. franchise, display the Employee of the Year Award Mike received from the Association of Retarded Citizens for hiring the handicapped and helping with fundraising

Franchise Advisory Committee Reorganizes

The Franchise Advisory Committee (FAC) and the Franchise Marketing Advisory Committee have been combined into one group for the purpose of increased representation. Pat Hopf of Family Entertainment Centers, Inc., and chairman of FAC said, "The merging of these two groups allows us to have a fully represented cross-section of opinions."

The newly reorganized committee met May 23 and 24 in Sunnyvale, California for discussions with corporate management on a series of topics including operations and marketing, promotional programs, national advertising, and new attractions. FAC members attending were Hopf, Donna and Frank Jones of The Northwest Company; Dick Ciocco of Jackson, Mississippi; Tom Pogemiller of Family Pizza Centers North, Inc.; Jimmy Rudulph of McNight Family Centers; Larry Rose of Restaurant Entertainment, Inc.; and Steve Sammons of Pizza Concepts, Inc.; Mike Ilitch of Little Caesar Enterprises was absent.

According to Hopf, "The session was very productive and informative, and one in which FAC began having significant input into decisions affecting the franchisees." In July, FAC elections will be held to select four new franchise representatives for one-year terms, and four for two-year terms. The first meeting of the newly elected FAC members will be on Monday, August 15 preceding the franchise principles meeting August 15, 16 and 17 at the Red Lion Inn in Sunnyvale.

Helen Henny Returns In New Show

Helen Henny's "Salute to Broadway Show" will premiere this month. Anyone who remembers her as being Pizza Time Theatre's first guest character may not recognize Helen's new look. Kathy Hopp, wardrobe supervisor, and Jul Kamen, cosmetic product designer, collaborated to give Helen a beak lift, a new hairdo and a much more glamorous wardrobe.

Helen Henny, along with the other Pizza Time Players, appears in front of twinkling marquee signs singing and dancing to such memorable Broadway tunes as "Tea For Two," "Makin' Whoopee," "A Pretty Girl Is Like A Melody," "Crazy Rhythm," "Fascinating Rhythm," and "I Got Rhythm."



Hoping a talent scout sitting in the audience will discover them, the Players put on a "bold and brash show that will reach out and grab the audience," explained animator Jeff Risk.



Chuck E. tries out the sound studio at the corporate office. The eight-track studio is used to record the characters' voices and mix music for Kadabrascope and the Cyberamics.

Kadabrascope Takes Off

Pizza Time Theatre's computer animation studio is now up and running, according to Mike Hatcher, director of Kadabrascope. The project is picking up speed with the addition of experienced animators and computer artists.

Heading up art director Jack Nichol's animation team is Jamie Mitchell, assisted by Bob Pauley and Ernie Polo. Computer graphics coordinator Donna Cohen's team of video artists consists of Melody Rondeau and Jennifer Grey, who work on the "Tween" computer. This computer generates several "in-between" video frames for each key frame the animation staff provides. Video cartoons use 30 frames, or drawings, for each second the cartoon is being seen.

After the tween frames are generated, Trish Galvis-Assmus and Joneva Barry paint each frame using the "Tweep," or "in-between painter," computer. The final step in producing a cartoon rests with Anne Meisner, the recorder. Her computer takes all the animation produced on Tween and Tweep and combines it with the backgrounds on the Images painting system.

The final step is the addition of

sound. This musical task is taken care of by Cyberamics animators Jeff Rusk and Joe Conti, who provide lip-sync tracks. Recording engineer Matt Howe adds the final sound to the tape. Production coordinator Owen Raley keeps all aspects of the project on schedule.

The Kadabrascope staff recently completed an intensive six-week training session with computer programmers from the New York Institute of Technology, developers of Pizza Time's Computer Assisted Animation System. Kadabrascope's system is the largest of its kind in the United States and is one of the few in the world dedicated to doing final production on videotape, according to Sue Sparks, head of the delegation from N.Y.I.T.

The N.Y.I.T. crew instructed Kadabrascope's artists on the use of the animation system and assisted them on the production of Chuck E. Cheese's Christmas special, which will be seen in Pizza Time Theatres. They also helped with "Mr. Munch Says Please and Thank You," a whimsical look at good manners. These and other cartoons featuring the Pizza Time characters will be seen in the centers later this year.

Jeff Severn—Drawing A Line On Chuck E.

Probably no one at Pizza Time Theatre is more familiar with Chuck E. Cheese than Jeffrey B. Severn, Graphic Department illustrator. Since July 1982, Jeff, 28, has worked on posters, ads, signs, the 1983 calendar and the 1982 annual report.

"Chuck E.'s really a lot of fun to draw," Jeff says, "But he's also one of the most challenging cartoon characters in terms of keeping his 'look' consistent from pose to pose." Although Chuck E. and that other famous rodent, Mickey Mouse, are similar species, The Big C is a much harder cartoon character to draw. "Mickey is really a simple character," Jeff explains. "Chuck E. is harder to draw because of the fold in his ears, his teeth and eyelids—all of which Mickey doesn't have. Little things like that, plus the shape of his nose, make him much harder to draw in different poses and keep him looking like the Chuck E. everyone knows."

Chuck E. has evolved quite a bit since his debut in 1977. When Jack Nichols, now art director for Kadabrascope, joined Pizza Time early last year as illustrator, he worked on softening Chuck E.'s appearance and started giving him more expressions than just the winking pose.

"The original Chuck E. Cheese looked too tough," Jeff says. "You almost wanted to hit him with a

broomstick. Jack and I have worked on drawing him so he looks more approachable."

Despite his talent for cartooning, Jeff didn't start drawing until he was 22. At the time he was a student at Humboldt State College in Northern California earning a degree in science. Following graduation Jeff returned to the San Francisco Bay Area to attend art school. While there he perfected his skills by painting pictures of Walt Disney characters and giving them to girlfriends. "What always happened was I spent too much time painting and not enough time with my girlfriends," Jeff laments. "Right after I'd give them the picture they'd break up with me!"

Jeff's favorite projects for Pizza Time were the Children's Annual Report and the just-completed circus poster that will be sold in the general store. The Children's Annual Report has gotten a tremendous amount of favorable attention for its originality and the quality of its production. Several newspapers have reproduced Jeff's cartoons to illustrate feature stories on the Kid's Report. Jeff spent nearly 90 hours working on the watercolor paintings for the annual report.

Most of Jeff's personal work is fanciful scenes of children's fantasy characters. "My style is geared toward children's storybooks," Jeff



says. A current project is writing and illustrating a children's book called "The Search." It's an amusing, often poignant story of Louis the turtle, who was born without a shell and his adventures in trying to find one.

When a new project comes up for Pizza Time's Graphics Depart-

ment, Jeff will discuss the illustration needs with manager Daved Garza and graphic designer Karen Mitchell. "We're fortunate to have a really creative environment at Pizza Time," Jeff says. "It's very satisfying to know the work we do is helping Chuck E. Cheese get recognition all over the world."

PTT's Computer System—On Line And Growing

After a year and a half in the planning stages, the corporate computer center at 310 Caribbean Drive in Sunnyvale is up and running. The final selection of equipment and software was made last fall under the direction of Steve Merchant, director of management information services. An IBM 4341 system was installed in January. Software has been purchased from Xerox Computer Services for programs used in manufacturing, and from Management Science America for programs used in finance and accounting.

Corporate departments now on the system are Manufacturing (both the Milpitas and Hollister facilities), Distribution, Human Resources and Accounts Receivable. The functions performed by the computer include inventory control, work-in-process reporting, materials requirement planning, order management, cost planning and control, purchasing, master production scheduling, production control, time keeping and general ledger accounting. In addition, the Human Resources Department uses the computer for record keeping, wage and salary administration, EEOC reporting and benefits administration.

The FasFax point of sale (POS) system installed in each of the company stores is also managed with the central computer system. According to Joe Allen, manager of POS systems, data polled from the stores now helps us keep track of item sales, revenues and labor hours for payroll. A system for automating labor scheduling, payroll, accounts payable and in-store

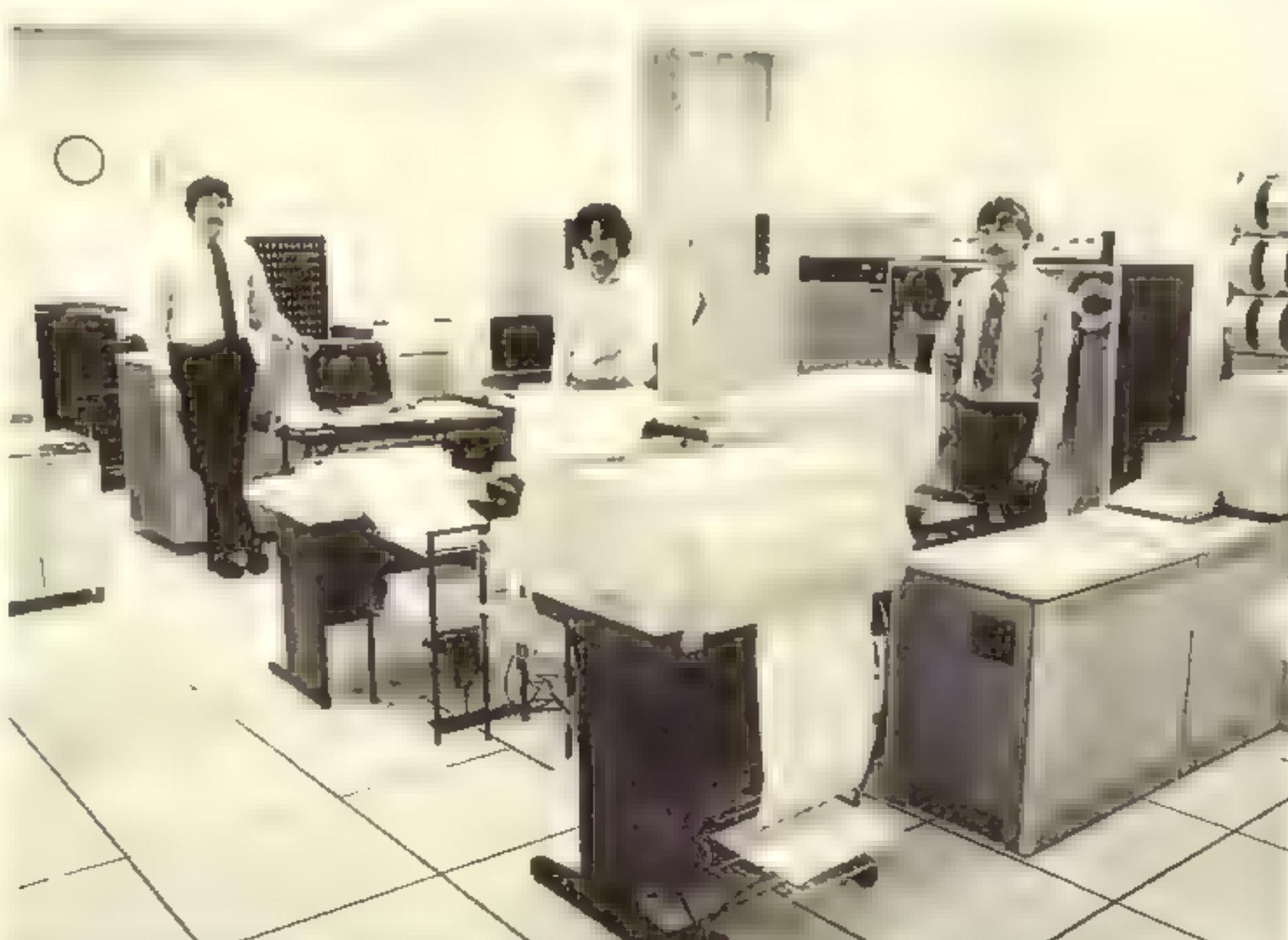
management reporting is in the initial test stages.

Over the next six months, the Finance Department will have the following areas converted to on-line computer processing: accounts payable, general ledger and fixed assets. "With the implementation of in-house data processing, we expect to provide more control, better reporting, more timely closing of the books, and a better data base," commented Merchant. Currently, data processing for accounting is contracted for outside. By bringing it in-house, costs can be reduced up to 50%.

When asked what's in store for Pizza Time's information system of the future, Merchant replied, "Management is already very computer

literate, which keeps us on the leading edge of technology. We look forward to the day when everyone who needs one will have a personal work station at their desk. In fact, we are already planning for the time when most offices will have terminals and we can use an electronic mail system."

In addition to Merchant and Allen, the corporate information services department includes Judy Haley, telecommunications coordinator; Cathy Olphs, Irma Phelps and Judy Stiavetti, attendants; Bill Wright, data processing manager; Ann Kennedy, senior systems analyst; Tom Graumann, systems administrator; Chris Stelani and Jody Stefani, operators (no relation); and Deidre Schubert, office systems analyst.



Pictured in the computer room at 310 Caribbean Drive in Sunnyvale are, left to right: Joe Allen, Chris Stelani and Tom Graumann.

Licensing Agreements Signed



Five companies have signed agreements to license Pizza Time Theatre merchandise, according to Pat Saign, marketing vice president. The firms are Talbot Toys and Meritus Toys, who will be making a variety of different sized and different priced toys; Iowa, a newly-formed division of Carter-Kennedy, who has the master apparel license; California Stuffed Toys, who'll make plush dolls; and Ero Industries, makers of pillows and slumber bags.

Pizza Time is also seriously negotiating with giant games manufacturer Milton-Bradley, as well as other companies. The initial product licenses will include plush toys, rack toys (small toys displayed on racks in stores), board games, puzzles, puppets, banks and novelty items.

"We're very enthusiastic about the companies who have license agreements with us," Saign said. "They're all among the best in their fields and will be putting quality Chuck E. Cheese merchandise in stores across the country. Everyone agrees that Chuck E. has the potential to duplicate the success of Strawberry Shortcake, Garfield the Cat, or the Smurfs."

Joint Venture In France



Pizza Time Theatre, Inc. has signed a letter of intent to establish a joint venture agreement with Jacques Borel International to develop Chuck E. Cheese's family restaurant and entertainment center in Paris.

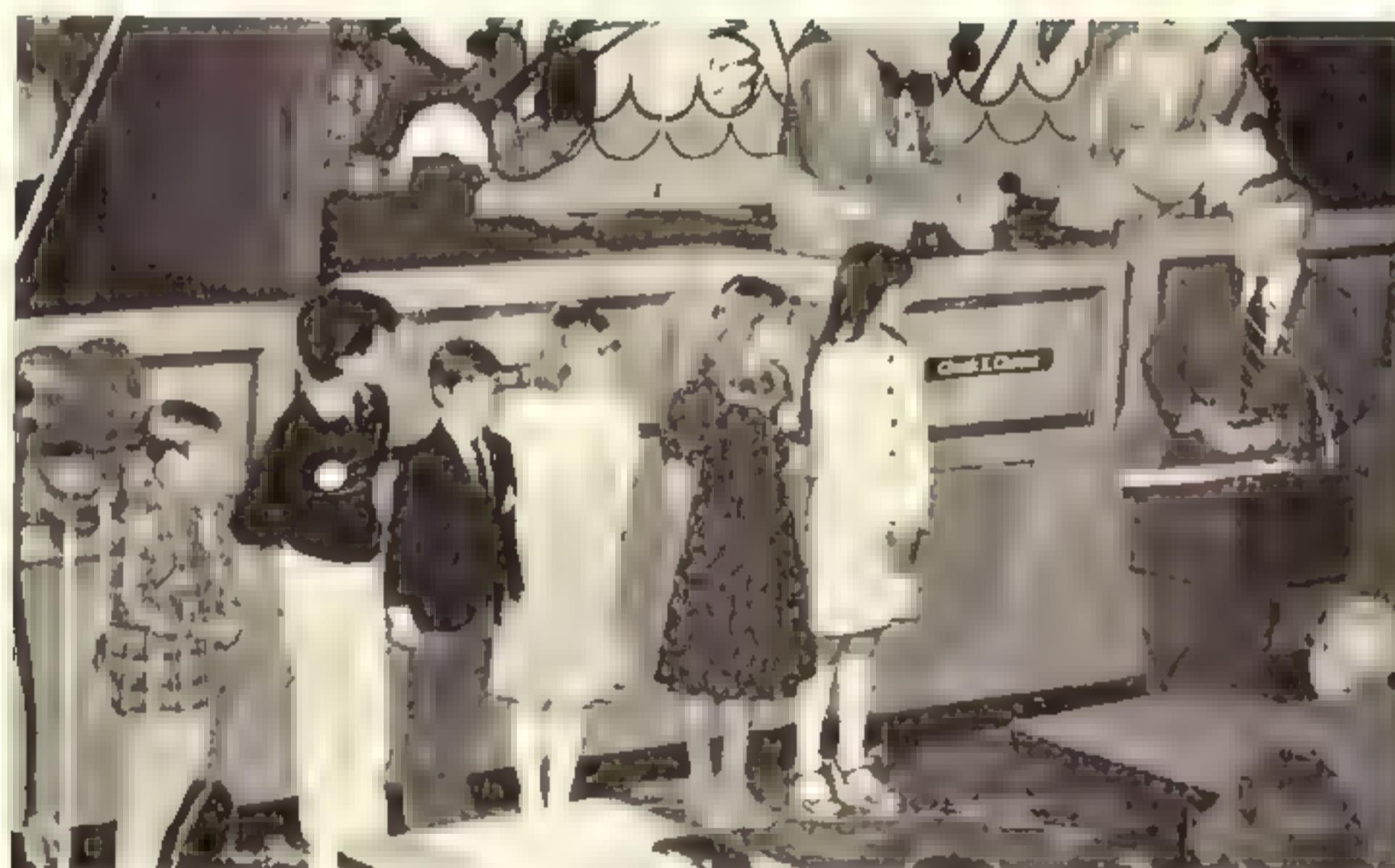
Jacques Borel International, headquartered in France, is the fifth-ranked food service operator outside the U.S. with restaurant and hotel operations all over the world.

"We are very pleased to be in partnership with this top ranking leader in international food service, and look forward to opening the first Chuck E. Cheese's center in Paris by the end of the year," commented Jack Campbell, vice president, international of Pizza Time.

Additional international franchised units are expected to open by year end in England, Puerto Rico and Canada.



JUNIOR BOARD NEWS



President Joe Keenan introduces the junior board at the annual meeting (above). Pictured left to right are: Josh Bandfield, 8; Todd Sarner, 12; Geoffrey Tuff, 10; Jackie Gladden, 9; Kimberly Edmonds, 11, and Gloria Nevarez, 11. Animator Jeff Risk (below, left) and Nolan Bushnell let board members try the Cyberamics programming controls in the animation studio.



Marketing Update

To celebrate Chuck E. Cheese's sixth birthday, most company stores ran a two-pizzas-for-the-price-of-one promotion during May. The promotion was supported by television and newspaper advertising, flyers, and in-store mobiles. Besides being a real bargain for Chuck E. Cheese's guests, the two-for-one offer was a good opportunity to boost sales at a traditionally slow time of year.

\$10 Million Sweepstakes

Throughout most of the summer, Pizza Time Theatres, in conjunction with Coca Cola USA, will run a \$10 million "Smile America, Spell Chuck E. Cheese" game. To play the game, visitors are given, on request, game pieces and a collector sheet. Prizes are won by spelling out the names of the Pizza Time Players with game piece letters pasted on the collector sheet. Besides the cash prizes, participants can win Q-bert video games, personal computers, Androbot robots, large pizzas, pitchers of Coke and video game tokens.

"Our goal during this 10-week promotion is to increase sales by 15 percent and to build frequency during the summer period," commented Pat Sain, marketing vice president.

All company stores and some franchise units are participating in the promotion.

Sale Of Debentures Nets PTT \$48.6 Million

A public offering of \$50 million in convertible subordinated debentures was made on May 13. Underwritten by L.F. Rothschild, Unterberg, Towbin, Robertson, Colman & Stephens; and Alex, Brown & Sons, the offering was fully subscribed and sold out on the first day of the offering.

The Company netted \$48,625,000 from the sale after expenses and fees. The proceeds will be used to repay bank debt, develop new company centers and for working capital purposes.

The debentures (or bonds) which pay the holder 8 1/4 percent interest on November 15 and May 15 each year, are convertible into common stock at \$28 per share on or after May 15, 1984.

Chief financial officer Randy Pike commented, "We are very pleased at the enthusiasm and interest shown in the Company during our recently completed road show of information meetings for the financial community. The success of this offering will enable us to continue expansion, both in terms of Chuck E. Cheese's centers, and in research and development projects for Pizza Time Theatre, Inc."

The week before the offering, chairman Nolan Bushnell, president Joe Keenan, senior vice president George Hellick and Pike gave presentations in Los Angeles, San Francisco, Chicago, Minneapolis, Boston and New York, covering six cities in four days.

Commodities Report

The following information was compiled by Linda Sako, director of food standards.

Food prices through March averaged 2.4% higher than a year ago. The pattern thus far indicates an overall increase of 4% throughout 1983, the same percentage that was experienced in 1982. This is the lowest annual increase since 1976, when prices advanced only 3.1% over the previous year.

Steady market. Final readings of spring wheat plantings, particularly climatic and subsoil moisture conditions, are normally completed in July. At that time we'll have a more predictable outlook on the true savings PTT will experience through the end of 1983.



Cheese

As expected, the cheddar market declined 2¢ per pound in February, and cheese manufacturers predict minimal fluctuations through October, 1983. Any 1983 changes in government support programs along with recently passed assessments against dairy farmers will help determine long term pricing effects.

In addition, Pizza Time Theatre will continue to enjoy small reductions in mozzarella prices due to efficiencies being passed on by the primary cheese manufacturer.



Tomatoes

Prices for most tomato products should remain stable through August as a result of contracting. The outlook for 83-84 is difficult to predict until all planting is complete and wet weather is behind us. Optimistic "guesstimates" predict 6.35 million tons of tomatoes to be processed in 1983 in California. Total California production for 1982 was 6.1 million tons.



Flour

Pizza Time Theatre will enjoy an 8% price reduction in flour beginning mid-June, which will remain stable into the 4th quarter. U.S. exports have remained at the predicted level for 1983 which, among many factors, has resulted in a



Beef & Pork

Consumer patterns coupled with supply and demand have created a "yo-yo" effect on the price of beef. While the number of feed cattle coming to market has been higher, experts predict shortages, and therefore higher prices by summer. A continual market strengthening may lead to price increases up to 8% before year end.

The pork market has a tendency to fluctuate more often due to the shorter raising period of 9 months versus cattle's 26-28 months. The market has been soft lately, showing small price declines. This may change ±5% over the next few months.



Freight

On April 1, the Interstate Commerce Commission approved truck freight rates which will result in increases averaging 5.7% nationwide. The hikes are designed to offset freight operators' higher costs, including the 5-cent-a-gallon gasoline and diesel taxes.



Paper

The industry has recently announced a 7% increase, most of which is due to the rising cost of utilities, labor, chemicals, and pulp. Pizza Time Theatre, however, is minimizing increases through protective contracts. Small increases may be experienced in the fall.



Chuck E. welcomes Mississippi governor William White to the Jackson store.



Using an old advertising idea, Chuck E. hits the pavement in front of the San Bernardino, Calif. Pizza Time wearing a "billboard vest," waving to passing motorists.



The lovely contestants in the Miss Huntington Park Pageant enjoy the Bell Calif. Pizza Time's ball crawl with Dante D'aramo of the chamber of commerce.

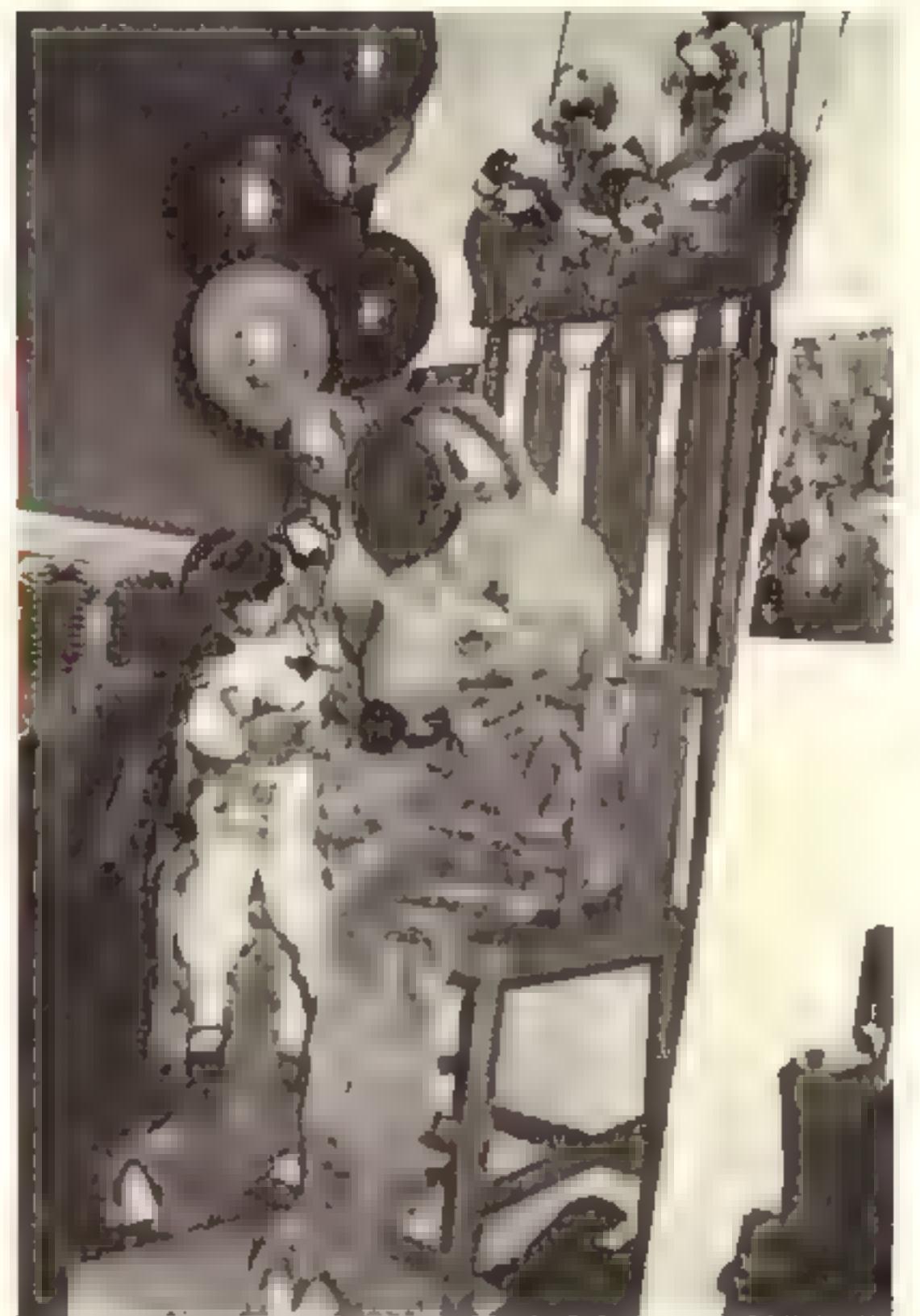


Jessee Durham, center, general manager of the Tallahassee, Fla. Pizza Time, presents certificates for two Apple computers to representatives of a local school. The school bought the Apples through Pizza Time's computer program.

Starring the Stores



The El Paso Pizza Time sent Chuck E. to nearby White Sands, New Mexico to welcome the space shuttle astronauts back to earth.



Chuck E. greet kids at a department store in El Paso.



Gaithersburg, Md. mayor Bruce Goldensohn cuts the ribbon at the opening of Family Entertainment Center's 16th Pizza Time Theatre.



The gang from Jacksonville, Fla. joins a parade celebrating the opening of the beaches.



A trio of urban cowboys practice their quick-draw techniques at the San Antonio livestock parade.

In Waterbury, Connecticut, the Phantom Diner from the local "P.M. Magazine" show gave the store a "four-forks" rating, the highest possible. In Brandon, Florida, during Easter week a plastic egg was hidden every 15 minutes, with the finder getting a prize. Also in Florida, the Jacksonville store distributed 25,000 coupons for the Easter Seals. When customers brought in a coupon they got 28 tokens with the purchase of a large pizza and pitcher of soft drinks. The Easter Seals got a quarter for each coupon redeemed, earning a grand total of \$500.

In Abilene, Texas, manager Robert Bell and 15 employees walked the entire distance in a walk-a-thon for the March of Dimes. The Capitola, California, store had three pinatas for kids to break

during their Cinco de Mayo celebration. Everyone had a turn with the bat and every child went away with a cup of candy and tokens.

In Lake Worth, Florida, group coordinator Barbara Hayward got channel 5 news out to the store to film a segment called "Tuesday's Child," which highlights a local child who is up for adoption. The TV crew filmed the excited child going through the store. Channel 5 is that area's top station, with an audience of 67,000 for the news.

The Syracuse, New York, Chuck E. and the host of a children's TV show visited local schools promoting the Multiple Sclerosis Read-A-Thon. In Beaverton, Oregon, Chuck E. and the president of the Beaverton Rotary Club did an exhibition boxing match during

the Junior Golden Gloves Championship. The Big C wore specially-made boxing shorts (with a four-foot waist he had to!). In nearby Portland, Munch and Chuck E. attended a big Easter egg hunt sponsored by a radio station.

The Illinois stores have been busy as well. In Loves Park, a computer night fund raiser for the Christian Life School raised \$1,150. In Springfield Chuck E. raised money for the March of Dimes by being "jailed" in a mall and getting shoppers to donate "bail" money for this release. In Normal, the Illinois State wrestling squad held a team banquet. The Waukegan Chuck E. was detained by police while on a pre-opening stroll through a shopping center. It seems Chuck was pulled into a bank by

admiring tellers. A bank official, not yet familiar with Chuck E. thought he was going to rob the bank and hit the alarm. After a long explanation to the police who quickly arrived, marketing director Monica Vogel was able to clear Chuck E. Moral: Don't walk Chuck E. near banks.

The Tallahassee, Florida, PTT helped a local school raise \$835 from Super Bucks and \$165 from a Computer Night toward an Apple II. The College Station, Texas, store provided a party with free pizza and tokens for Muscular Dystrophy poster children. In Lodi, California, the Little People's Convention—aimed at getting recognition for dwarfs—held a luncheon at Pizza Time. Actor Billy Barty ("Under the Rainbow") was one of the participants.



Chuck E. Cheese at Stone Mt. Park Easter egg hunt held Sunday, April 3. The Stone Mt. Park has held the record of four years straight of the world's largest Easter egg hunt, consisting of 4,000 people and 30,000, that's right, eggs! The people at Stone Mt. park give a lot of credit to Mrs. Cathy Hayes for all of her hard work and time.



Chuck E. and friend, Gooney Bird, pose with volunteers at the Daytona Beach, Fla. Heart Association Jamboree.



Tyler, Tx. general manager, Randy Mullins and the Pizza Time Players get ready to start the March of Dimes charity race.



Chuck E. gets a check up during his visit to the San Diego, Calif. Kaiser Hospital for Children's Cancer Clinic Day



A local canine ordinance keeps Jasper from mingling with sunbathers at a Pensacola, Fla. beach



Chuck E., Munch and employees from the New Hartford, N.Y. Pizza Time entertain crowds in the St. Patrick's Day parade



Chuck E.'s mom, right, visited her son at the Waterbury, Conn. Pizza Time on Mother's Day.



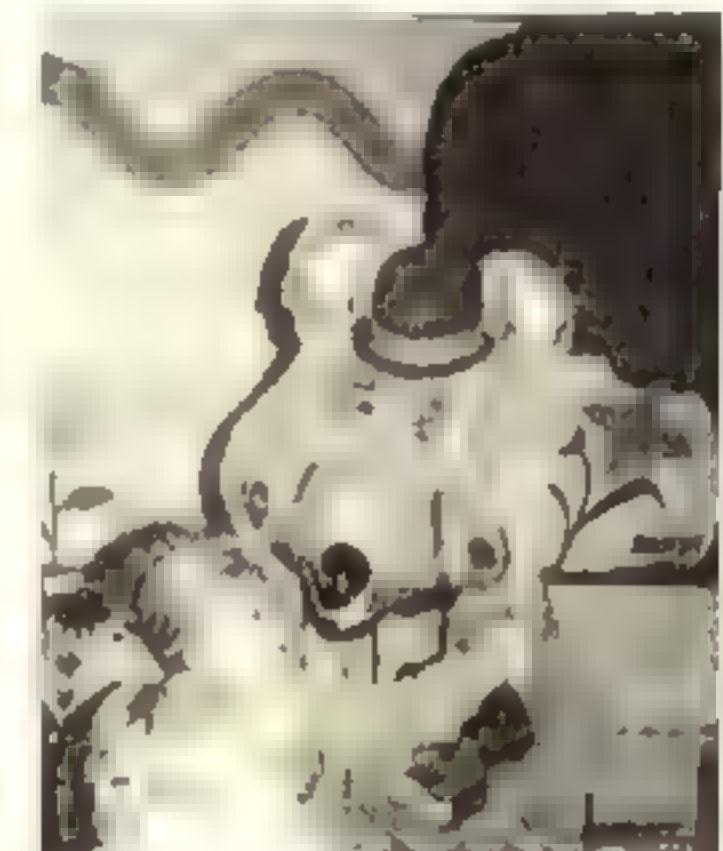
Chuck E. demonstrates good brushing habits while visiting a Philadelphia school to promote National Dental Health Month



Those characters from Canoga Park, Calif. help out at a Wheel-A-Thon for the Physically Disabled



An excited youngster hugs his hero at the Town & Country School for the Hearing Disabled in Tulsa, Ok.



Chuck E. greets his young friends at the Town & Country School for the Hearing Disabled in Tulsa, Ok.



Chuck E. pals around with his cousin, Topo the Androbot, at an exposition of Sunnyvale based electronics companies.



After a long delay caused by inclement weather, the Marinwood, Calif. Pizza Time Theatre opened May 2 with a benefit for the Dixie School District Little League, raising \$3,285.70. From 5 p.m. to 9 p.m. the store donated all sales of food and beverage to the little league as a community goodwill gesture. Pictured: Chuck E. Cheese presents a ceremonial check to league president Phil Page, right. Also present are Skip Hall, left, district director, and Don Riley, far right, general manager. Not pictured are managers David Ashe and Eric Herlow who were helping the new cast with their first night of capacity crowds!

THE PIZZA TIMES - JUNE 1983

(Volume 3, Issue 2)

Date of Origin: 1983
Archived: 7-10-12
Submission by Kathy H.
Version 1.5 (Removed Edits)

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The Pizza Times

Volume Three, Issue Three

December 1983

SENTE DEBUTS

Sente Technologies, Pizza Time Theatre's game division, officially began operations Oct. 1. The long-anticipated event also marked the return of Pizza Time's chairman, Nolan Bushnell, to the video game industry. He had been prohibited from competing with Atari—which he founded in 1972—for seven years following its sale to Warner Communications in 1976.

In his address to an enthusiastic crowd of 300 well-wishers at a Sept. 30 celebration, Bushnell commented on the state of the game industry and the outlook for Sente: "When I was at Atari, I thought we had such a strong organization that it would have been impossible for a new company to enter the business seven years later. It turns out now that the game industry is not strong. The directions in the business are not strong. The opportunities are immense. And that's what we're here for. Sente's going to work on solving the problems the industry is facing and take advantage of the opportunities."

Sente's first game will debut in December, with the entire 1983 production going to Chuck E. Cheese's restaurants. Games will be available on the open market in January.

Bob Lundquist, Sente's president, heads a staff with a long history in the video game business. Roger Hector, senior vice president of engineering, Ed Rotberg, vice president of software, and Howard Delman, vice president of hardware, were instrumental in the development of many of Atari's best games.

In addition, Victor Penman, the writer and project coordinator of "Dragon's Lair," the first laser disc video game, has recently joined the engineering staff. Ken Wagener, formerly Pizza Time Theatre's director of special projects, is marketing director for Sente.

The games will be made in the 60,000-square-foot Milpitas, Calif., manufacturing facilities, which also produces the Cyberamics for Chuck E. Cheese's restaurants. Production will be under the direction of Curt Russell, who recently joined the company as senior vice president of manufacturing.

There are also research and design facilities near the corporate offices in Sunnyvale. Sente Technologies is a wholly-owned subsidiary of Pizza Time Theatre, Inc. and employs approximately 200 people.



Roger Hector, left, Sente's senior vice president of engineering, surprised Nolan Bushnell with a mounted, open pair of handcuffs at the Sept. 30 Sente start up celebration. The cuffs symbolized Bushnell's "release" from his noncompete agreement with Atari.

New Corporate Structure For Pizza Time Theatre Inc.

During the past few months, Pizza Time Theatre Inc. has been significantly restructured to increase operating efficiencies and reduce expenses.

In September the company formed several divisions, each with its own president who reports to Nolan Bushnell, chairman of the board.

The Chuck E. Cheese's division is now headed by George Hellick, formerly senior vice president of Operations. Bob Lundquist is president of Sente Technologies. He had been vice president, Special Projects.

"The change is an evolutionary step in the growth of Pizza Time Theatre," according to Bushnell. "With the rapid growth of the company, a reorganization was necessary to better manage the restaurant operation and at the same time develop our games division."

Among the changes in the Operations Department has been the merging of the Central and Eastern Regions. Joel Petersen is now regional director for both areas. Bud Wahlstrom is the Central Division manager and Tim Mamalis is his counterpart in the Eastern Division.

John Williams is the new Western Region director. He joins Chuck E. Cheese's from the KFC Division of Hueblin and the Perkins Division of Holiday Inns, where he was most recently Western Division manager. Jay Hendrick is the Northern Division manager based out of Sunnyvale, and Skip Hall is the Southern Division manager, based out of Huntington Beach, Ca.

Jeff Hastings has been hired as marketing director. He previously was with Adolph Coors in Colorado.

Gail McKenzie has also recently joined the company as manager of Chuck E. Cheese's Fan Club.

She had been with Disneyland's Magic Kingdom Club.

"All effort is now directed at improving our image as a family entertainment restaurant," said Hellick. "We're doing this by offering excellent food, service and entertainment at a good price value. We've conducted extensive market research, so we know what our customers want. Now it's up to us to deliver."





Several new laser disc games have begun to appear in Pizza Time Theatres. One of these, M.A.C.H. 3 by Mylstar, allows players to pilot a jet fighter or bomber and attack ground targets or engage in aerial combat. When piloting the bomber, players shoot at ground targets while maneuvering to avoid shell bursts.

Actual flight film and recorded cockpit conversations between pilots and ground stations are built into the game. These unique features make this sit-down game

very realistic to players.

Another new laser disc game recently introduced is Astron Belt by Sega. It features three different types of film, which include a space fantasy, special effects and animated footage. Astron Belt also has a "vibraseat" and stereo sound to further enhance the sensation of realism.

Other laser disc games include Cliff Hanger by Stern, and Firefox, Atari's new game based on the Clint Eastwood movie.



Pizza Time's Kadabrosope animation studio worked around the clock finishing the Christmas cartoon special for this year's holiday season. Video cassettes were shipped the day after Thanksgiving to all stores. The story, titled "The Christmas That Almost Wasn't," deals with the adventures Chuck E and Jasper have when they head for the North Pole to deliver a letter to Santa Claus. The story was specially written for Pizza Time Theatre and features original music. Pictured at the Computer Assisted Animation System are, left to right, Jack Nichols, project coordinator at one of the image generators, Trisha Galvis Assmus at the background color computer and Anne Meisner at the recording station.

Salary Deferral News

On May 1, 1983 Pizza Time's Salary Deferral Plan began. The plan offers all employees over age 21 the opportunity to save up to six percent of their salary in a long-range investment and retirement program. Contributions and earnings are exempt from federal income tax while they remain in the plan.

There is a choice of three different funds to invest in. Contributions also may be split between two of the funds. Payroll deductions are invested approximately every two weeks. The following information reflects activity for each fund from the date of the first investment: June 1 through Sept. 30, 1983.

Fund 1—Pizza Time Stock

Contributions to this fund totaled \$113,242.10 which as of Sept. 30 were valued at \$91,269.76. This represents a decline of 19.4% over the four month period.

Fund 2—Dodge & Cox Stock Fund

Total contributions were \$67,265.52 which were valued at \$69,233.58 as of Sept. 30, for a 2.9% increase in value. This four month performance represents a compound annual return of roughly 14%. The fund is invested in a diversified portfolio of companies, including Exxon, Upjohn, IBM and General Electric.

Fund 3—Metropolitan Life Insurance

Total contributions to this fund were \$82,987.11 and were valued at \$84,328.81 as of Sept. 30. Each time contributions are invested in this fund they begin to earn the fixed annual rate of 10.3%.

Remember that Jan. 1, 1984 is an important date. That's when employees may enroll as a new participant or change investment funds and percentage of contributions. An important announcement and further information regarding the plan will be distributed soon.

Entertainment News

The wardrobe department worked at full speed this summer making Helen Henny cosmetics Supervisor Kathy Hopp and her staff worked hard to meet the Sept 1 goal of getting Helen in every unit. "Everyone really pitched in on the project. Even electro-mechanical assemblers and secretaries were helping out to make sure Helen was in the stores as soon as they received the new show tape."

And their hectic schedule is continuing. For this year's Christmas skit the Cyberamic characters will have seasonal hats and other decorations.

But the biggest change is coming

next year, when the Pizza Time Players debut their rock 'n' roll show. This will be the first show to feature different costumes for the characters. Pasqually and Jasper will be dressed in the 1950's styles, Munch will be a flower child of the '60s, Helen Henny will be a flashdancer, and Chuck E. will emerge as a 1970's glitter rocker.

Jul Kamen, together with Kathy Hopp and Tina Ahmann, designed the outfits for the Players. "It will give the characters a completely new look and add a lot of color to the show," Jul said. "This should be the most popular skit Pizza Time has ever done."



Halloween at Chuck E. Cheese's

Chuck E. met a couple of junior Pizza Time Players at Ft. Myers, Fla. (below). Employees at the Boise, Id. (top right) and Arlington, Tx. (below right) stores got in the spirit of Halloween by dressing up.



The Pizza Times is published quarterly by the Corporate Communications Office, 1213 Innsbruck Drive, Sunnyvale, Calif., 94089. (408) 744-7372.

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Winners



The cast of the Wayne, NJ, Chuck E. Cheese's lets the world know who's number one! Management pictured includes (back row center, left to right): Frank Tokes, general manager; Steve Lindemann, manager trainee; Bill Davis, district director, Spyros Lenas, owner; Tom Dolan, manager, Spyros Lenas, Jr.; Janice Brandon, promotional coordinator; Ed Moore, assistant promotional coordinator; and Alex Gotilla, director of operations.

Daytona Beach Wins Store Wars

The Daytona Beach, Fla., Chuck E. Cheese's was the winner of the Eastern Region's "Store Wars" competition. The contest was designed by regional director Joel Petersen "to find the store that best satisfied our customer's needs."

Stores were judged on food quality, entertainment, employee courtesy and other areas important to the customer. Mike Fuhrer, general manager at Daytona Beach, believed the key to winning was his cast's motivation and the development of good departmental supervisors.

The victorious cast members each received a tape player. Pompano Beach took second and West Palm Beach finished third.



© 1983 Pizza Time Theatre, Inc.



Pizza Time Theatre's softball team was Sunnyvale's Summer League 1983 champions. Pictured with their trophy are, left to right (back row), Bob Styczynski, Bob Talbot, Tom Rogers, Randy Avey, Tom Shaver, Skip Hiensley, (front row) Ed Howe, Bob Fleischman, Rich Hutchison, Rody Espanol, and Jon Mueller.

Chuck E.'s Pride Winners

The Wayne, N.J. and St. Petersburg, Fla., stores won the Chuck E.'s Pride award for the second quarter, 1983.

The decision is based on overall excellence of operations, including maintaining high standards of quality, service and cleanliness.

Wayne's Chuck E. Cheese opened in October, 1982. Animated Family Restaurant is the franchise company, with Spyros Lenas the principal.

The winning management team includes Frank Tokes, general manager; Andy Wojciehowski, manager; Alex Gotilla, director of operations; Bill Davis, district director; Tom Dolan, manager; Steve Lindemann, manager

trainee; Janice Brandon, promotional coordinator; and Ed Moore, assistant promotional coordinator. Scott Moe is the corporate franchise district director.

The St. Petersburg store's management staff included Jim Sagar, general manager; Jim Neumann, manager; Bill Bryan, store manager; Carlynda Fernandez, promotional coordinator; and Rush Janey, technician.

St. Petersburg is in district 3402 of the Eastern Region. Wally Willon is the district manager; Joel Peterson is the regional director; Ross Bartow is the marketing manager, and Tim Mamalis is the divisional manager.



The St. Petersburg, Fla., store proudly displays their Chuck E.'s Pride Award. Pictured center, left to right are: Jim Neumann, store manager; Bill Bryan, store manager; Jim Sagar, general manager; Wally Willon, district 3402 manager and Carlynda Fernandez, promotional coordinator.



JJ Ballanger, 7, is all smiles as he tries out the mini Trans Am his mom, Marci, won in the "Grand Prize Sweepstakes" at the Normal, Ill., Pizza Time.



Three cast members of the Sandy, Utah, store set a record of 34 hours on the trampoline. Their three-man team broke the Guinness Book of World Records listing — set by a six man team — by one hour. The team, consisting of Jeff Cerney, Mitch Pixton and Robert Van Couwenberghe, held the event near Chuck E. Cheese's in the Sandy Mall as a fund-raiser for Spinabifida.

Employee Franchise Purchase Plan

In line with the company's continuing program to provide major incentives to key employees, Pizza Time Theatre has started the Employee Franchise Purchase Plan. Participation in the plan is reserved for the most loyal and highly qualified employees.

This program gives key employees the opportunity to purchase an existing company store and operate it as an independent franchise. Recognizing that most of Pizza Time's employees don't have substantial amounts of investment capital, the company has devised a plan which lets the employee become a franchisee with a very low initial investment.

General managers, district managers and others who have worked at least a year for Pizza Time Theatre qualify for the program.

Currently, three Pizza Time employees are participating in this plan. Andy Novitski, who operates the Ocala, Fla., store, was formerly an operations analyst and an instructor at Chuck E. Cheese's University. Ed Sewell, who now runs the Mobile, Ala., unit, had been a district director in Texas. Harold Goldbrandson, who runs Fantasy Forest—maker of the walkaround costumes—recently became the operator of the Victorville, Cal., store.



Chuck E. appeared with representatives of the Loves Park, Ill., police and fire departments at a school assembly to thank the KIDS for collecting cans of food for the needy.



Franchise owners Tom Finnerty (left) and Tim Finnerty (right) join their brother, Brian, in a cake cutting ceremony to officially open the Spokane, Washington, Chuck E. Cheese's. Brian is the general manager.

Franchise News



The crew at Charlie Cheese's Pizza Playhouse in Queensland, Australia, celebrated after two weeks of record sales. General Manager Jim "Bo" Ryan is on the far left.

New Stores Open

During the third quarter six franchised stores opened. In August, Dolli & Associates opened its third store, in Newington, New Hampshire. McKnight Development also opened its third unit that month, in West Mifflin, Penn. In Canada, Delphi Investments, Ltd., opened a second unit, in Burlington, Ontario.

In September Santa Rosa Enterprises opened the first Chuck E. Cheese in Puerto Rico, in San Juan, while Canadian Pizza Shows opened its third unit, in Willowdale, Ontario. Also in September, Restaurant Entertainment's sixth store opened, in West Valley, Utah.

Chuck E. Cheese soon will be adding additional overseas units. Among the locations coming up are Cretail, France and Ealing, England. Also, an agreement recently was signed by Whimsy Recreation to build two stores in Singapore.

In the U.S., franchises are still available, including Kansas, Nebraska, Iowa and Vermont.

Sales Soar in Hong Kong

Chuck E. Cheese's in Hong Kong, franchised by the Whimsy Company, Ltd., recently had weekly sales of nearly \$50,000. This is an amazing figure considering their large pizza sells for only \$6!

"We've had as many as 8,000 people visit our store on the weekends," said franchise principal Gus Chow. "Customers are so anxious to see our concept that long lines form from 11:30 a.m. to 8 p.m."

The 9,000-square-foot store, which offers waiter service, currently has English-speaking Cyberamics that soon will be translated into Chinese.

Whimsy Company has plans to open additional units, including another Hong Kong location, as well as a store in Singapore.



Robert Go (left), chairman of Whimsy Company Ltd. (our Hong Kong franchisee), and Lim Tow Seng, chairman of Emporium Holdings Ltd. (a chain of Asian department stores), are congratulated by Chuck E. after signing an agreement for a joint venture in Singapore. The partnership, called Whimsy Recreation (Singapore) PTE Ltd., will develop two Chuck E. Cheese's in Singapore, the first opening in Katong.



Miss Sandy City and other town officials helped Chuck E. celebrate the opening of the Sandy, Utah, Pizza Time Theatre.



Characters try out the new Tinker Towers in Fort Myers, Fla.



The Big C poses with the undefeated Chuck E. Champs of Louisville, KY.



Ken Norton, former world heavyweight boxing champion, visits with the Springfield Pizza Time Players while representing the Illinois State Fair as grand marshall.



Arnold Schwarzenegger gets to meet Chuck E. while attending a seminar in Boulder, Col.



Victorville, Cal., promotional coordinator Liz Siebert and Chuck E. met country singer Johnny Lee at the San Bernardino County Fair.



The Westminster and Aurora, Col., stores sponsored a promotion with the Dairy Association by entering Chuck E. and Munch in a cow milking contest.

Starring the Stores

NORTHWEST EXPLORER



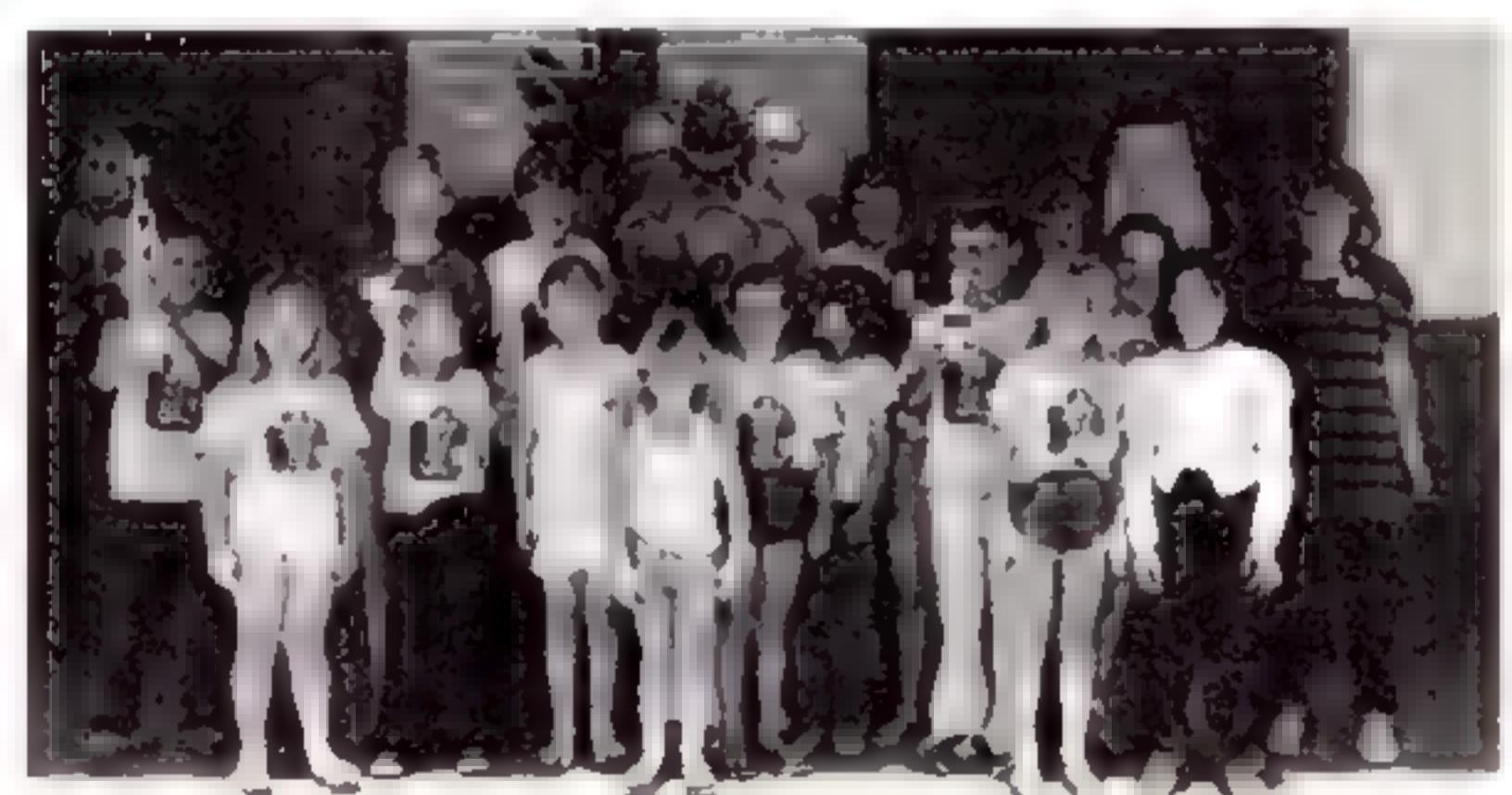
Chuck E. amused the crew of a cruise ship by taking his amphibious auto for a spin on the delta near Sacramento, Cal.



The Pizza Time Players and friends enjoy a tire engine ride during Bike America Day in Beaverton, Ore.



E.T. joins Chuck E. and Munch for an afternoon of fun at the first annual Health Fiesta in McAllen, Tex.



Chuck E. is visited by the Junior Bowling League at the Bakersfield, Cal., store.



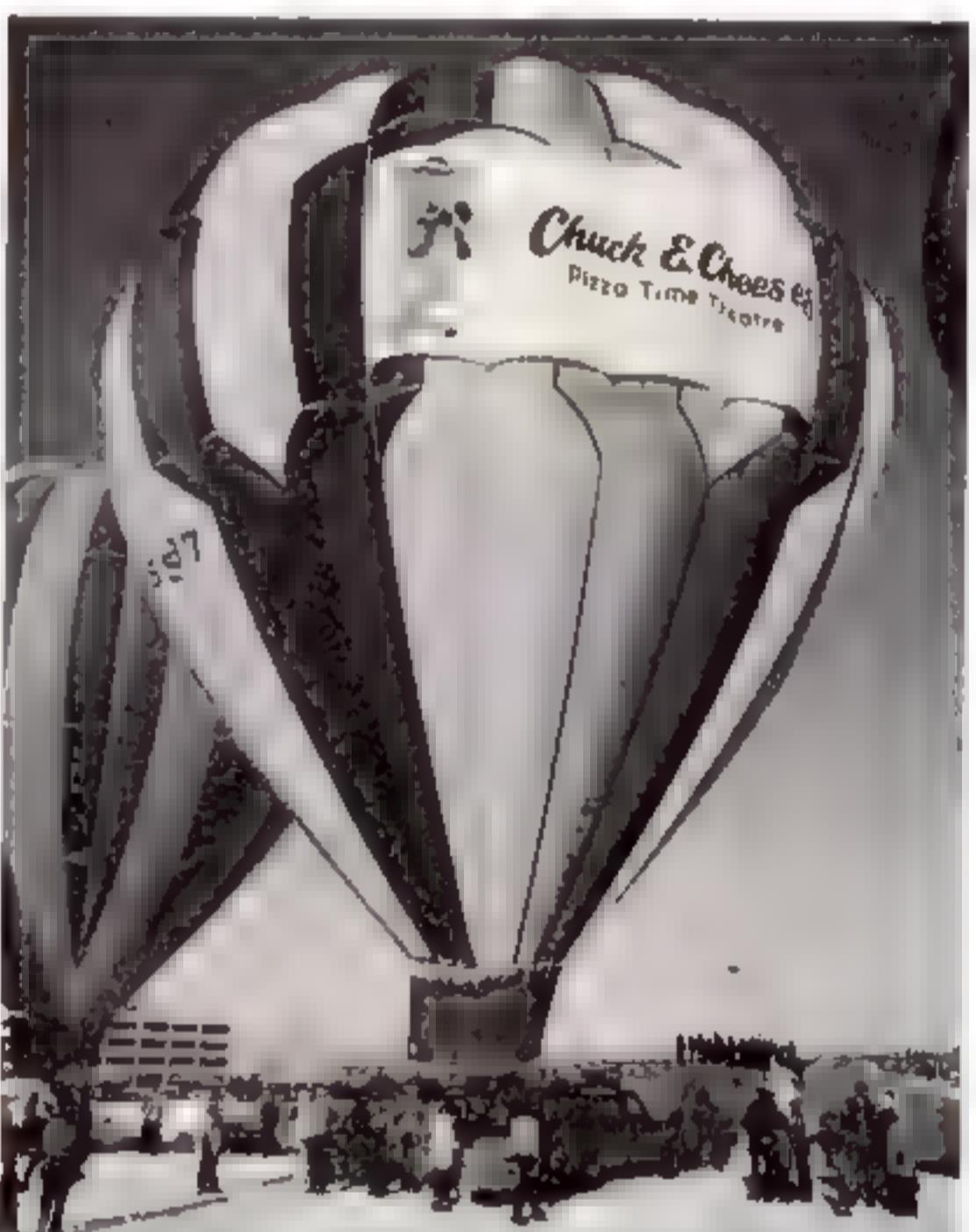
Chuck E. wins first place at LaVerne, California's Independence Day parade.



Chuck E. hands out chocolate kisses during the Temple, Tex., Fan Club party.



Chuck E. plays a cowboy at the Salinas, Cal., rodeo.



Chuck E. and his friends went for a ride in hot air balloons during an Anchorage winter carnival aimed at alleviating cabin fever.



The Tyler, Tex., store features a live variety talent show every Monday night that plays to standing room only audiences in the King room.



Jasper makes a new friend at the 'It's a Small World' Festival in Rochester, NY.



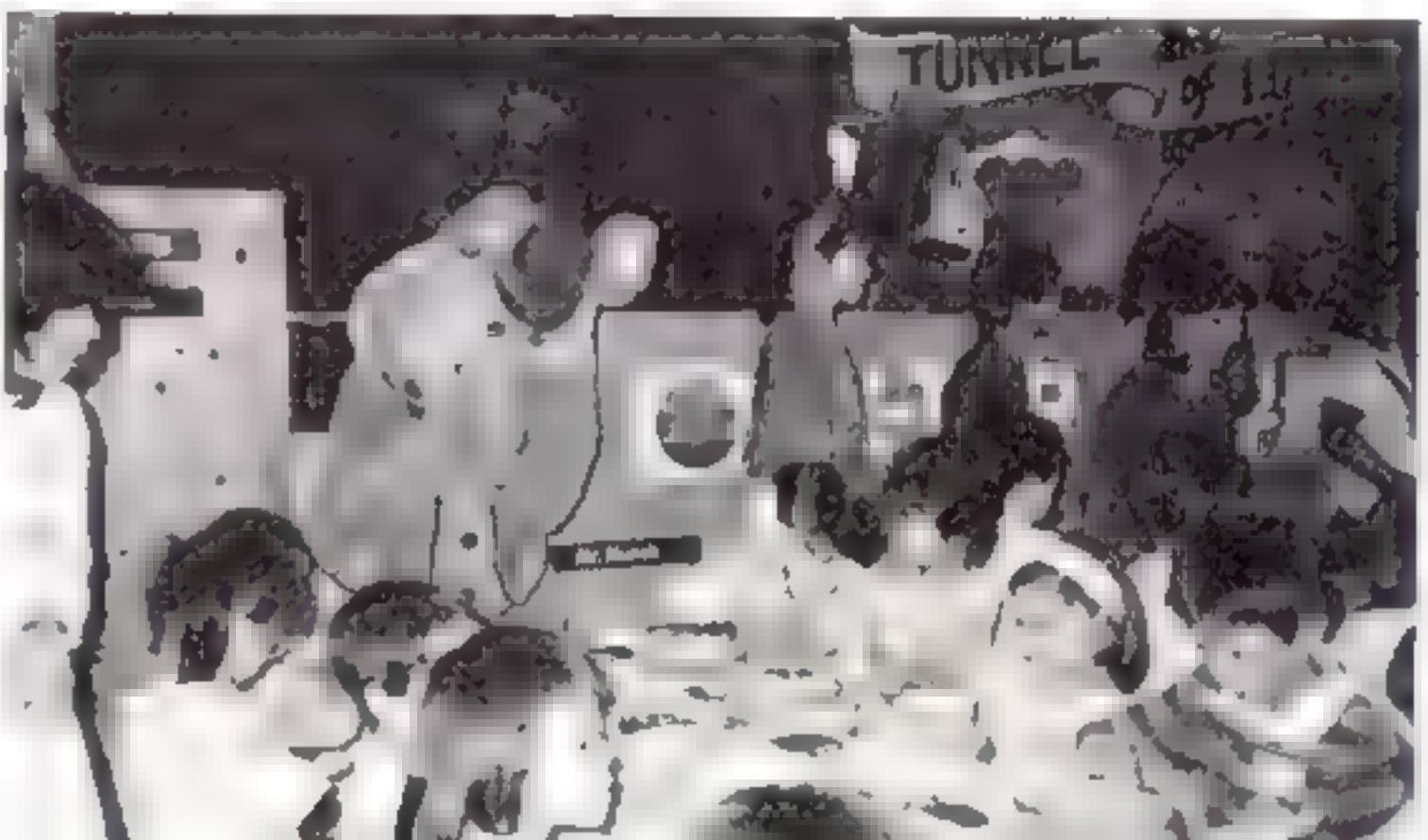
Chuck E. was grand marshall at the Killeen, Tx. pet parade



Uncle Sam visited the Pensacola, Fla., store to wish Chuck E a happy birthday



Mike McGee, left, general manager of the Waco, Tx. store and Chuck E. appear on a local, TV station to give the weather report and talk about Pizza Time Theatre



Chuck E. helped his young friends decorate cakes for the Good Morning Hong Kong television show



Leslie Uggams and her son celebrated his birthday at Chuck E. Cheese's in Canoga Park, Cal.



Chuck E. meets radio personality Rocky Raccoon in Atlanta



Chuck E. got his teeth checked at the "Child Keeper's Clinic" held in Lake Worth, Fla.



Chuck E. was awarded the key to the city of Melbourne, Fla., by city councilwoman Lorretta Isenburg for participating in a root-a-thon to raise money for the fight against muscular dystrophy



The Schenectady, NY Pizza Time Theatre sponsored a walk-a-thon for the Muscular Dystrophy Association and raised \$1,500. Pictured, marketing manager Sue Maselli reads about the results with two of the participants



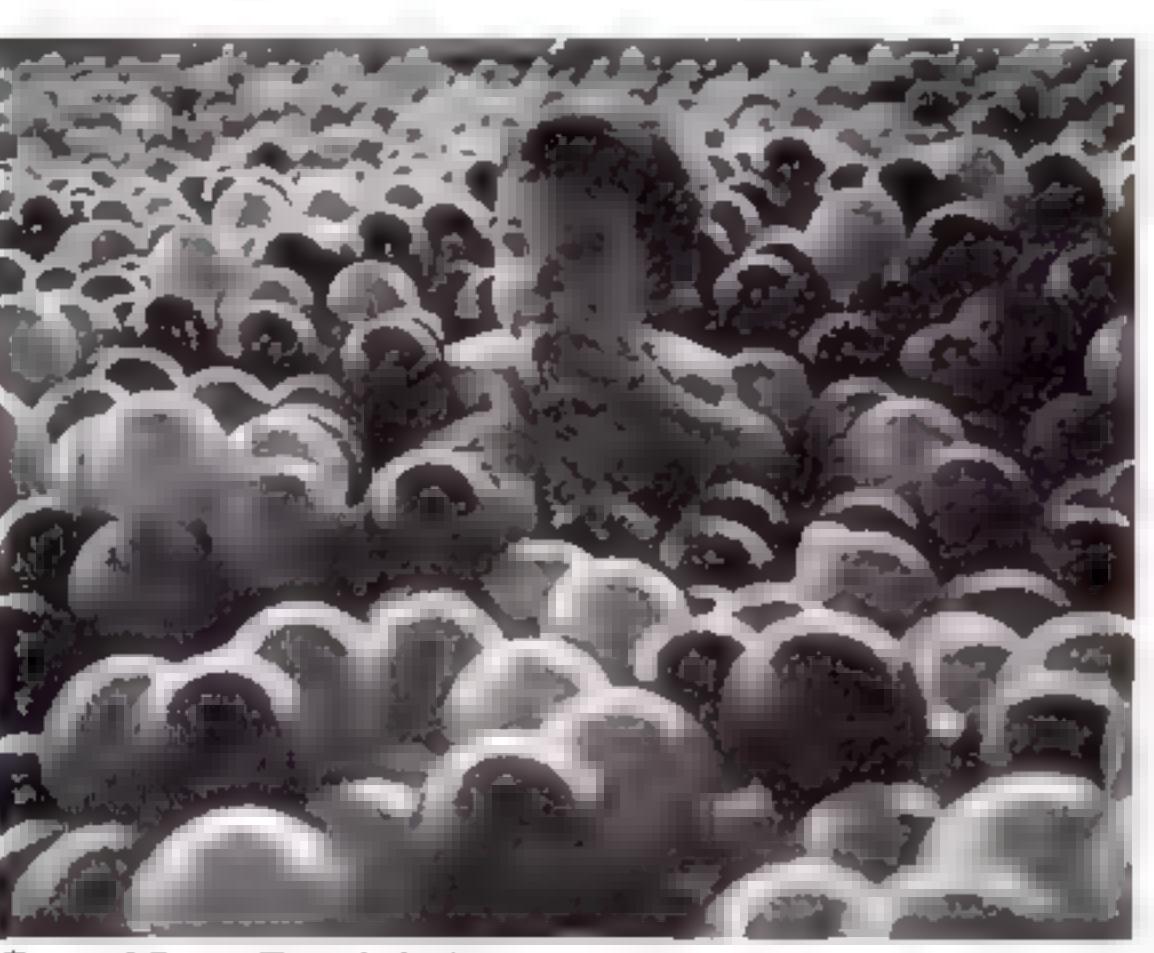
Chuck E. rides a pony at a festival in Clinton Park, Md.



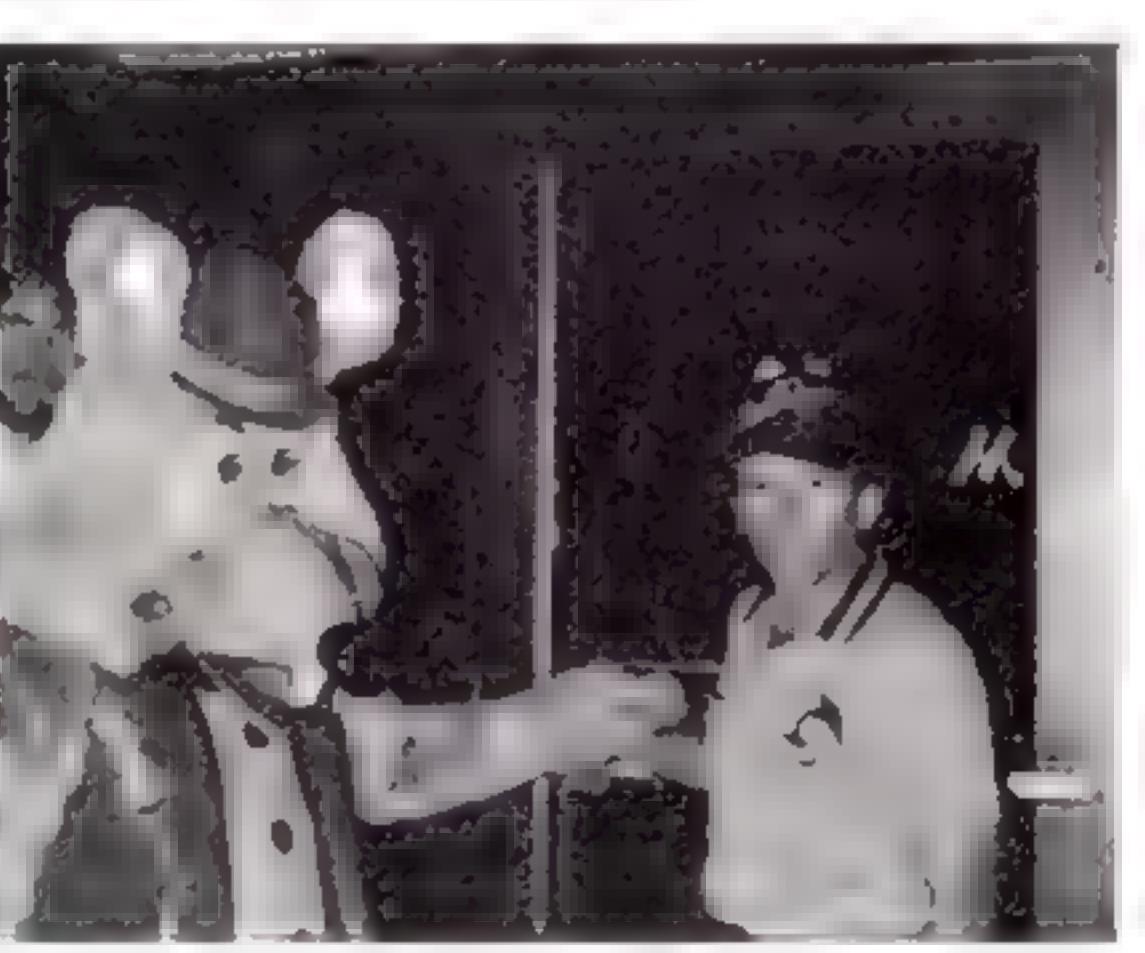
Jasper and his pal attended the Fourth of July parade in Greenfield, Wis., where over 7,000 Chuck E. Bucks were passed out along the parade route



Miss Smurlette from the Ice Capades visited Chuck E., Jasper and a friend at the Pearl City, Hawaii, Pizza Time



One of Pizza Time's little customers enjoys the ball crawl at Commack, NY



Chuck E. greets Al Jardine of the Beach Boys at the Harrisburg, Pa., Pizza Time



Kids at the Skyline Country Club golf camp visit Chuck E. in Tucson

THE PIZZA TIMES - DECEMBER 1983

(Volume 3, Issue 3)

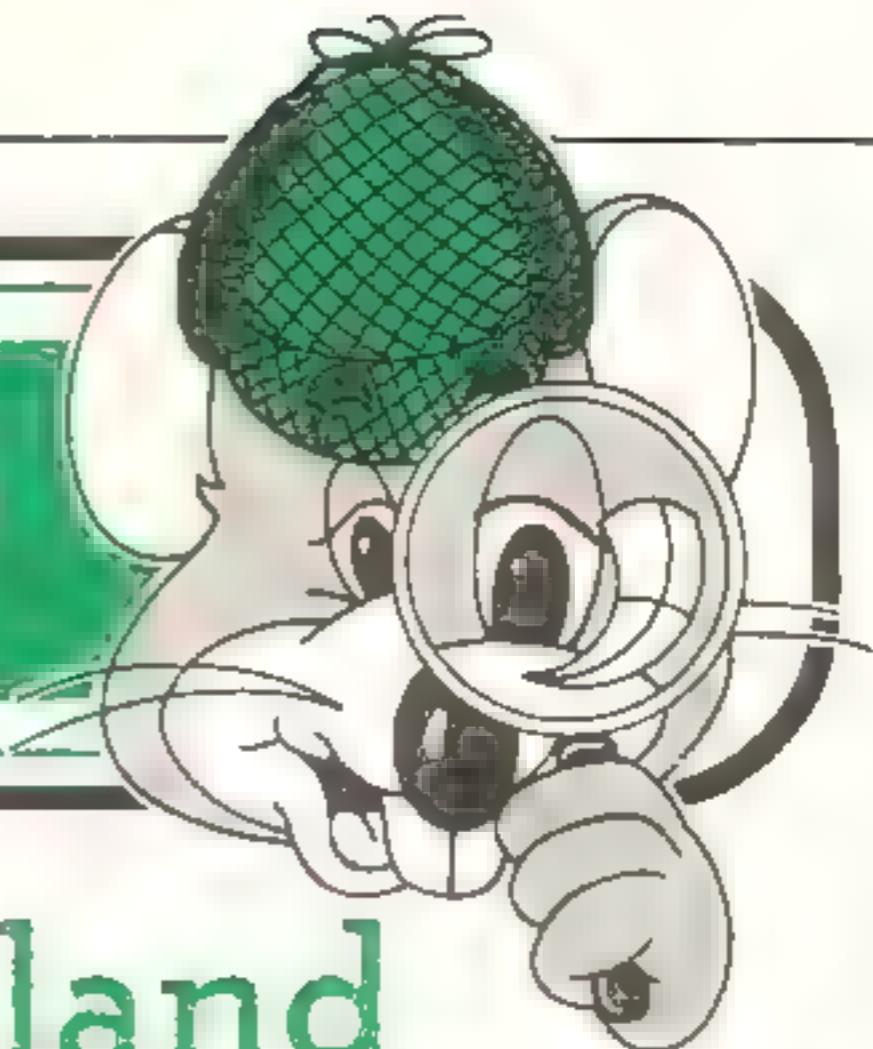
Date of Origin: 1983

Archived: 8-18-13

Submission by Jonathan Sullivan
Version 1.0

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The Games Examiner



Chuck E. Cheese Playland



In a continuing effort to stay ahead of the competition, Pizza Time Theatre opened its first Chuck E. Cheese Play-N-Place. This "first of its kind" indoor play area was opened in Las Vegas (Store #0069) on May 16th. The Las Vegas store with an overall size of 22,650 square feet provided an ideal opportunity to create this new Pizza Time Theatre concept.

The play area is similar to that used in many outdoor amusement parks throughout the United States. The Chuck E. Cheese Playland is the first such attraction to be built indoors which presented many design challenges. The playland covers approximately 4,000 square feet and was restricted by a 15 foot ceiling height.

The first priority in design was safety. The second was to provide an observation area for parents to watch their children playing. The latter was accomplished by building an elevated observation platform in the center of the room. Safety requirements were met through the liberal use of padded walls and floors, and sharp corners were avoided wherever possible.

Admission to the play area is controlled by a coin/token turnstile. The admission price is one dollar per child and admission is limited to children 54" and under. Inside the play area there are 12 different attractions ranging from a ball crawl to a pulley slide. Each of the different attractions is named after one of the Pizza Time Theatre characters.

In "Jasper's Jump Around" kids can bounce around on a king size air mattress bounce floor.

"Pasqually's Punch Bags" allow kids to punch, bump and tackle foam filled punch bags.



"Harmony's Round Up Hill" is a large air pillow mountain where kids can play king of the mountain.



In "The Beagles Ballroom" kids can play in a ball crawl filled with 20,000 plastic balls.

On "Chuck E.'s Challenge" kids can climb a cargo net to a platform, walk across a suspension bridge and down an "S" shaped slide.

In "Munch's Maddening Maze" kids enter through a turning barrel of fun and wind their way through the corridors until they find the exit.

On "Dolli's Descent" kids hang at the end of a rope and slide to the other side of the room by means of a pulley.

"Madame Oink's Magic Mirrors" allow kids to see themselves fat, skinny, tall, and short.

With the blending of bright colors, colorful padding and mirrors, the play area really provides a fun place, not only for kids, but for their parents as well.

Currently there are other Chuck E. Cheese play areas in the planning stages for the following stores.

Abilene, Texas
Lawton, Oklahoma
Shreveport, Louisiana
Tallahassee, Florida



Grand Opening—Hollister

Pizza Time Theatre, Inc. has opened a games manufacturing division at 1802 Shelton Drive in Hollister, California

Cabinets, play structures and other equipment used in Pizza Time Theatres will be manufactured at the new 35,000 sq. ft. facility. In addition, the company will be designing and manufacturing target bowling games called Chuck E. Cheese Rolls, and a new

The purpose of the Games Examiner is to keep the Pizza Time community current with new developments in the games industry.

If you have news or information to share, or questions regarding games or merchandise, please contact Inda Trinwith, director of games administration, 1213 Innsbruck Drive, Sunnyvale, California 94086, (408) 744-7300.

The Games Examiner

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line of educational games for children aged 3 through 10.

Pizza Time Theatre recently acquired Pete's Woodworking, Inc. of Morgan Hill, a cabinet-making business which is now incorporated into Pizza Time's Hollister games manufacturing division. Currently staffed with 20 employees, the facility plans to manufacture up to 100 Chuck E. Cheese Rolls a month for franchise and company owned Pizza Time Theatres.

Gala Opening

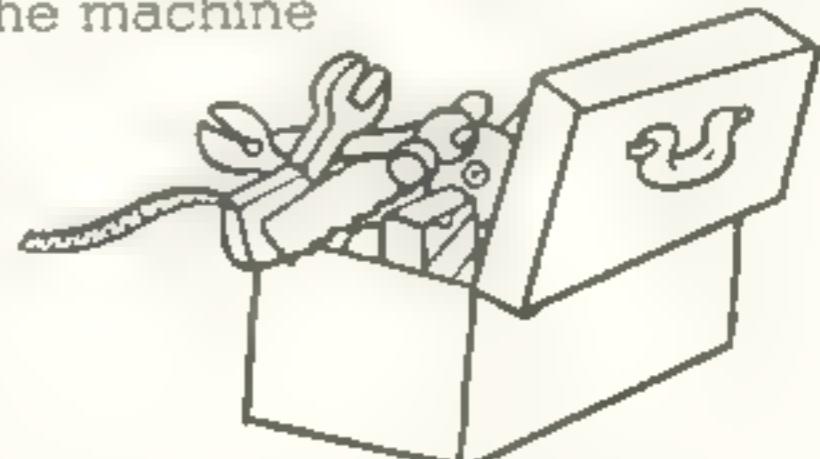
The grand opening party for the Hollister Games Division was held on Friday, April 30, 1982. Performing the opening ceremonies were Nolan Bushnell, chairman; Joe Keenan, president; and Bob Lundquist, vice president special projects. The activities were initiated with the "pulling of the master switch" by Mr. Bushnell and Mr. Keenan, which activated the movement of the first Chuck E. Cheese Roll off the assembly line which was followed by a shower of balloons dropping from the ceiling. Afterward, everyone enjoyed a buffet luncheon. Guests were invited to tour the facilities and play the games.

In conclusion, Bob Lundquist presented two bronzed Chuck E. Cheese Roll balls each to Mr. Bushnell, Mr. Keenan, and Mr. Anglin who in turn, jokingly, proceeded to juggle their gifts.

How Fare Your Games?

Nothing can spoil the enjoyment of game play more thoroughly than malfunctioning equipment. Yet breakdowns in gameroom equipment are inevitable and fixing an electronic game is not quite the same as replacing a light bulb! It takes training backed by some in-field experience to produce a qualified games technician. We urge you to send your gameroom technicians to the various seminars that are regularly offered by the service departments of major games manufacturers. Ask your local distributors to inform you of upcoming events.

In addition to the seminars offered by manufacturers, there is an organization headquartered in San Diego, California called Randy Fromm's Arcade Schools, Inc., which held classes this past year in major cities of every region in the United States. The course (5½ days) covers basic electronic systems and teaches people to troubleshoot problems with power supplies, video monitors, sound systems and, actually, everything short of the microprocessor. Only about one malfunction in five, according to Fromm, actually occurs in the electronic brain of the machine.



Keeping up with the development of new techniques in diagnosis and repair of electronic equipment is well worth the time and money you will save in the future upkeep of your gamerooms, not to mention the satisfaction of your customers!

Dear Gabby Games

Dear Gabby Games,

Is there an earning variance between those games on platforms and those on the floor?

A Franchisee

Dear Franchisee,

After completing my analysis, I have found that there is virtually no difference/variance in the earnings of those games on the platforms as compared to those on the floor. If you should desire further information concerning the analysis please don't hesitate to inquire.

Sincerely,



The following information is helpful in solving problems encountered in the games listed below:

Wells-Gardner Color X-4 Display Monitor When characters on the display are shaky or made up of small dots, instead of smooth lines, replace capacitor C901 or C902, 100 μ f at 35 volts, in the high voltage power supply.

Dig Dug by Atari To eliminate any static-related problems on Dig Dug, solder a .1 μ f capacitor between pins 5 and 7 of the 74128 located in position A/B-3 on the PCB.

Shootaways by Namco To replace gun cables, call your distributor to get an Advance Replacement. Upon return of the defective one, credit will be issued within 90 days.



Dear Gabby Games:

Are there any specific rules for the Children's Area of the game room?

A Franchisee

Dear Franchisee:

Since the children's areas are a very popular aspect of the Pizza Time Theatre experience, multitudes of children of all ages fill them regularly. In order to ensure the continued success and enjoyment of these facilities, it is our responsibility to keep them free from potential hazards and accidents.

Specific rules which are posted include the following:

One Rider Only and You Must Be Under This Height to Enter.

Things to look out for are:

- Children running up slide on Cheese Crawl
- Electrical cords running across carpet.
- Loose hardware on spring rides
- Rough wood edges anywhere
- Uncovered electrical outlets (use child protector caps).
- Exposed wiring of any kind.
- Children playing around a moving ride.
- Children not observing proper ride operation guidelines (one rider only, etc.).
- No games, rides or electrical poles should be placed any closer than 5 feet to the bottom of the slide.
- The Children's Area should be monitored by an employee at all busy times. There is a frequent need to remind them about certain rules related to the rides.

Sincerely,



Game Tips

Mousetrap by Exidy To possibly double earnings on this game, try an enhancement kit now available through your local distributor.

Frog Hunter by Vending International To replace broken plexiglass, buy a piece of plexiglass locally and cut it with a jigsaw, thus saving approximately \$150.00. Also put other games on either side of Frog Hunter to prevent kids from leaning on sides and breaking the plexiglass.

Robotron by Williams Comments from the field tell us that everybody is taking advantage of the built-in game adjustment feature that is in all Williams games.

While we feel that the factory setting is good for the professional player, we suggest that you make an adjustment to a more liberal setting.

Example: To award an extra man at 20,000 points instead of 25,000

1. Depress advance button until "GAME ADJUSTMENT" menu appears on the screen.
2. Use MOVE joystick to line up arrow opposite setting, "EXTRA MAN EVERY".
3. Move FIRE joystick, DOWN to decrease to 20,000

Example: To change difficulty of play to liberal

1. Move, *MOVE* joystick *DOWN* to move arrow opposite, difficult play.
2. Move, *FIRE* joystick *DOWN* to change to number 3-liberal or 2-liberal.

NOTE: there are 10 settings of difficulty on ROBOTRON 2084.

By the way, many of you are not aware of the Williams "Attract Mode Message" feature.

Example: To enter "Chuck E. Cheese Presents" instead of Williams presents:

SET ATTRACT MODE MESSAGE.

2. Push *FIRE* up.
3. Depress *ADVANCE* button.
4. Enter up to two lines of your message following instructions on screen.
5. Depress *ADVANCE* to terminate process.

Game Quips

TRON

The first major motion picture made with electronic games in mind, Walt Disney's "TRON," has already created considerable interest among all segments of the games industry. This modern retelling of "The Wizard of Oz" from an arcader's point of view is expected to be this summer's "hot" film, and rights to the various types of "Tron" games have already been selling fast.

It looks like Midway has wrapped up the coin-op rights, while Intellevision will be turning out at least two home video games based on sequences within the film. Tomy is producing a hand-held version, also scheduled for summer release.

Games Update

Video

Ms. PacMan and Zaxxon are currently Pizza Time Theatre's highest earning games.

Some new video games to watch are:

ROBBY ROTO—Midway's new game features Robby Roto as he tunnels after targets, which then proceed to chase him.

REACTOR—The goal of the players in Gottlieb's newest attraction is to use energy forces to destroy the enemy and avoid the expanding Reactor core and vortex appearing in the different phases of the game.

KANGAROO—Atari's colorful new video sensation features mother Kangaroo as she rescues her baby from "nasty" monkeys.

TRON—Midway's next game is a tie-in with the Walt Disney movie of the same name. It features a special black light effect on the cabinet and the game's action appears to mirror the movie's plot.



Arcade

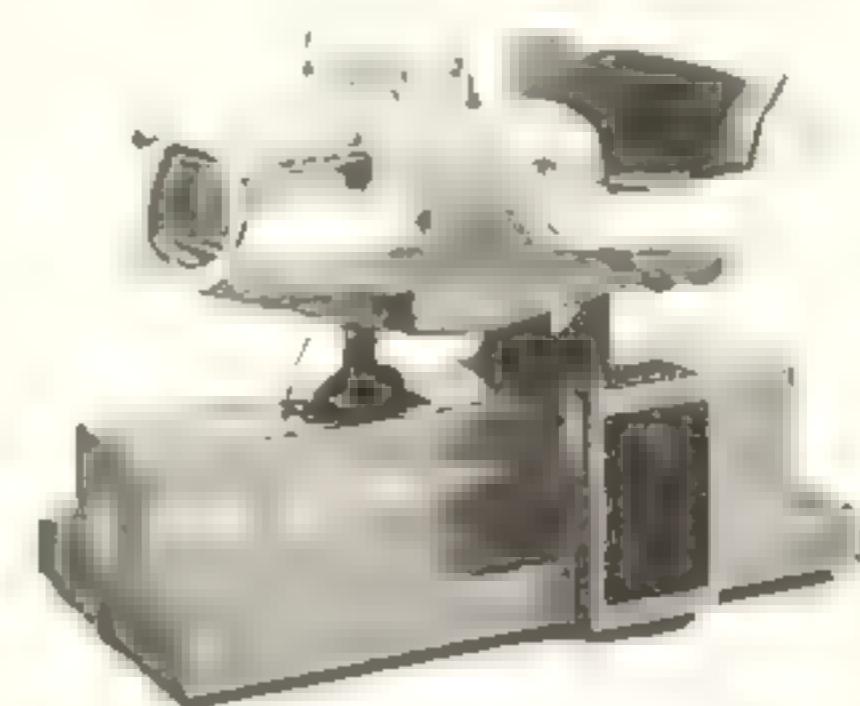
SWEET LICKS—This new arcade game by Namco has a concept similar to Whac-A-Munch. The colorful graphics, flashing lights and lively music make "Sweet Licks" an attractive addition to Pizza Time's Fantasy Forest.

Children's

HELICOPTER—The Hydropowered helicopter is one of our

highest earning rides. Children can steer movements by pressing buttons and the craft moves up and down with flashing lights and rotor noises.

MOTORBIKE—On moving wheels, the bike is well-designed and robustly constructed with lateral movements, sound effects, rear rollers and many extras.



UFO—this stationary ride has an adjustable timer and sound effects. After coin insertion, the UFO starts to move with flashing lights, steerable sounds and flaming cannons.

FERRARI RACING CAR—It moves forward and backward on pedestal with flashing lights, timer, signals and engine sounds.

SANTA FE STEAM ENGINE—This ride moves back and forth with features such as flashing lights, steering signal and train sounds.

These children's rides are available through Kiddie Rides U.S.A., manufactured by Elektro-mobil-technik.



PAC-TRIVIA

Do you know how PacMan got its name? The world famous coin-op was first developed in Japan where "paku" means "to open the mouth and to gobble." In fact, the game is called Paku Paku in its native land.

Community Awareness

Atari has developed a Community Awareness Program to combat the restrictive video game legislation that many towns are trying to enforce. A professional video film crew was hired to interview parents, teachers, P.T.A. members, psychologists, city council members and others in a select group of metropolitan areas across the country.

The educational video tape and position paper which resulted from

this reflect a positive image on the video industry. An implementation manual is included which explains appropriate viewing audiences, places and presentation tips to offer for community solutions we can all "live" with.

If you would like to borrow the Community Awareness Program and a video monitor to show it on, please contact your local Atari Distributor.

Warranties on Games

If a game comes in and the P.C. boards, power supply or monitor are not working, call the Distributor immediately. All new games are under warranty for at least 30 days. Some components and parts are under warranty for 60-90 days. In the event of a new game not working upon arrival, please take the following steps to diagnose and repair the game.

Call the manufacturer's 800 service number and troubleshoot the problem over the phone. They will not sell you parts direct, but will assist you in identifying the problem. If parts are needed, call the Service Department of the Distributor who shipped you the game and ask for Advance Replacements on 30-day warranty items.



Tampering with games on our own voids warranty agreements, which we should definitely take advantage of.

Top 10 Games

VIDEO

1. Zaxxon
2. Ms. PacMan
3. PacMan
4. Turbo
5. Monaco GP
6. Robotron
7. Centipede
8. Dig Dug
9. Donkey Kong
10. Frogger

ARCADE

1. Skeeball
2. The Driver
3. Shoot Away
4. Sweet Licks
5. Boom Ball
6. Frog Hunter
7. Whac-A-Munch
8. Remote Control Cars
9. Marksman
10. Air Hockey

CHILDREN'S

1. Hydrocopter
2. Galacticar
3. Ferris Wheel
4. Missile Jet
5. C.E.C. Carousel
6. Motorcycle
7. Rolls Royce
8. Ferrari Race Car
9. John Player Special
10. Santa Fe Train



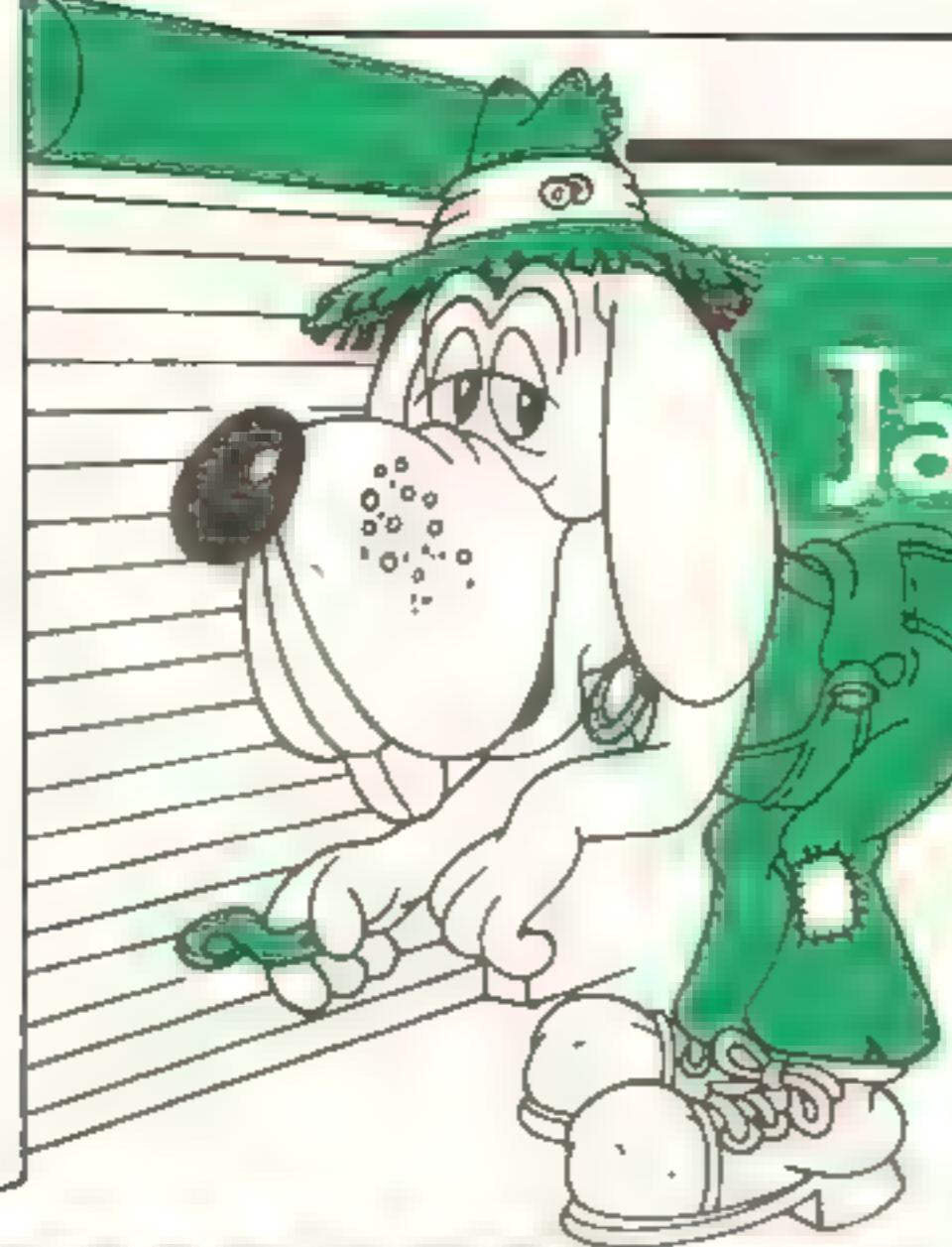
Merchandise Theft Prevention Tips

The art of stealing is not restricted to large stores. Even a shop the size of Jasper's General Store is subject to theft.

According to a January 1982 article in Giftware Business Magazine there are ways of preventing shoplifting.

One key is a well-ordered display. For example: "By building the stock up toward the center like a pyramid, you can see what stock is missing," says Jeffrey Schwam, co-owner of Alans Social Expression, a card shop in New York. With this method the potential shoplifter may see that removal of an item is going to be conspicuous. Another key in theft prevention is visibility not availability. This is done by placing expensive items where they can be seen but not reached. Installation of a spotlight is also commonly used as a deterrent for shoplifters.

Further information regarding store design and theft prevention can be found in the publication "Security and the Small Business Retailer," produced under the auspices of the U.S. Department of Justice for sale by the Superintendent of Documents, U.S. Government Printing Office, Washington D.C. (Stock No. 027000-00765-1).



Jasper's General Store



DISPLAY TIPS

SUGAR and SPICE isn't always nice.

Here are some helpful candy display hints:

1. Display similar items together, ie: candy in one location.
2. Color coordinate, ie: all the same plush together on shelf, never display one plush on shelf, keep shelves full always!
3. Arrange candy display to emphasize the quality and best features.
4. Fill fixtures with enough candy to give them a full appearance. (Always keep candy containers full, and do not display those containers which are empty.)

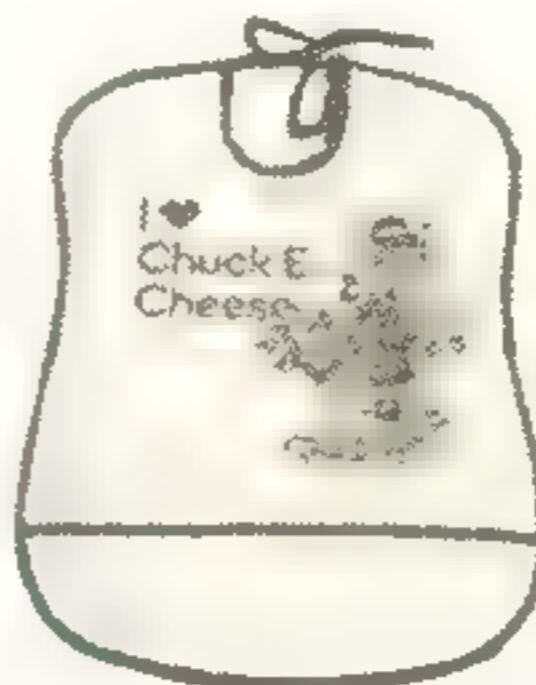
PIZZA TIME THEATRE BASEBALL CAP



Join Chuck E. Cheese's team by wearing a Pizza Time Theatre baseball cap. The red and white cap with adjustable strap is for players of all ages and retails for \$3.50.

Part No.
940-6009-01
Available now.

NEW CHUCK E. CHEESE BIB



Chuck E. Cheese keeps the kids clean with a Pizza Time Theatre bib. This bib, featuring Chuck E. Cheese on a rocking horse, retails for \$1.75 each.

Part No. 941-6001-01 *Available in August.*

CHUCK E. CHEESE SILVER MYLAR BALLOONS



Up, Up and Away with Chuck E.'s silver mylar balloons. Clips and string available too! Helium not included. Retails for \$1.25 each. Balloon Part No. 942-0036-01 String Part No. 942-0037-01

Available now.

PIZZA TIME THEATRE LOGO BEER MUG



A new ceramic beer stein features Pizza Time Theatre logo and retails for \$4.25.

Part No. 940-5006-01 *Available now.*

NEW TWISTIE POPS



Chuck E. Cheese, Jasper T. Jowls and Mr. Munch have never been sweeter than they are now. The new flavorful twistie pops retail for 59 cents each (medium) and 34 cents each (small).



COMING SOON TO A THEATRE NEAR YOU.....

- More quality Pizza Time Theatre merchandise
- Chuck E. Cheese shoelaces
- Chuck E.'s Yummies
- Chuck E. Cheese drawing pad
- Dollie Dimples comb set
- Chuck E. Cheese frisbee
- Chuck E. Cheese clipboard
- Chuck E. Cheese and Pizza Time Players plush

THE GAMES EXAMINER

(Volume One, Issue Two - July 1982)

Date of Origin: 1982

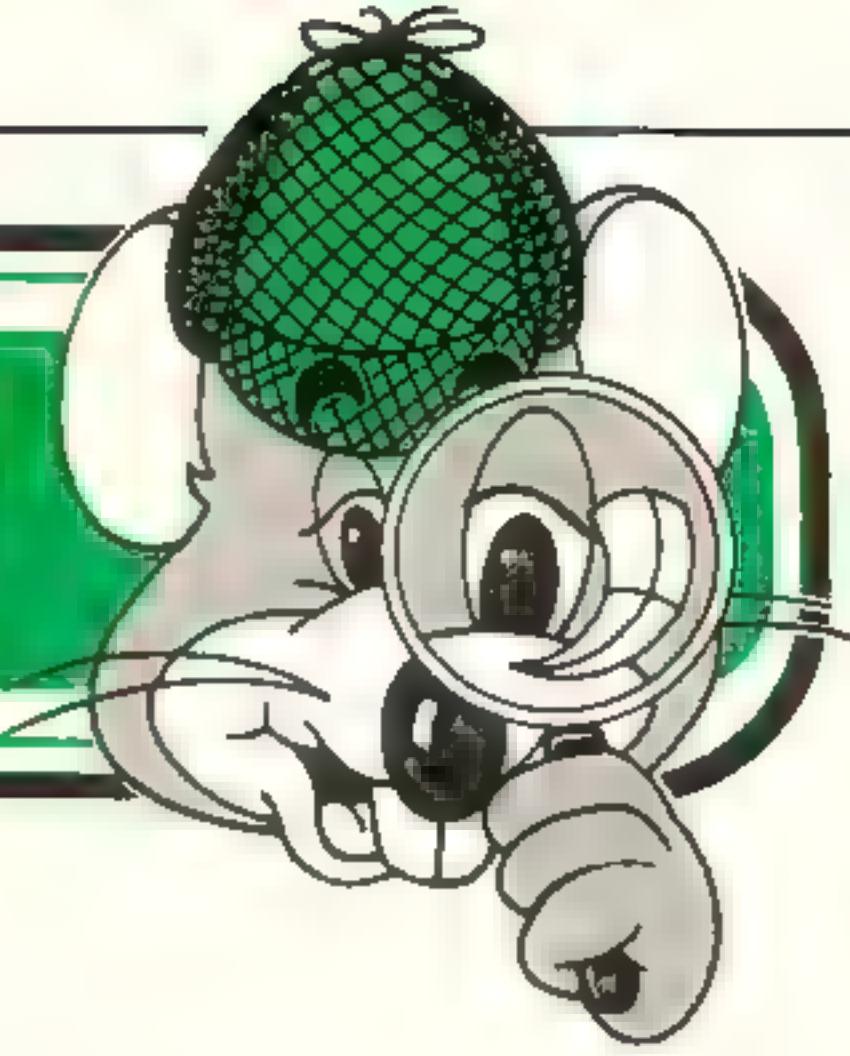
Archived: 5-21-12

Submission by Tristan R.

Version 1.0

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The Games Examiner



Cheese E. Street



Developing new concepts for customer appeal and family fun is a continuous and ongoing process at Pizza Time Theatre. One of our latest brainstorms is currently being created by two very adept and creative young men—Kip Atchley and Reed Lawson. The prototype will be a fiberglass Disney-style "store-front" facade with an animated window display of a cheese factory. Inside will be some surprises such as an echo chamber, mirrors in which you see yourself for infinity, telephones that you can dial to hear the voices of Chuck E. Cheese and his pals, as well as mysterious tri-level crawls and

passageways. "Cheese E. Street" is currently under production at the Hollister, California Games Manufacturing Plant and will be tested in our Kooser Road, San Jose store.



This project is not Kip's and Reed's first "funhouse" creation. A few years ago, the news media started giving a great deal of recognition to

the Haunted House these two had built over the past 12 years on the outskirts of Napa, California. It has been said to be "rivaled only by the multi-million dollar fright at Disneyland." This Haunted House was to be experienced by Nolan Bushnell, whose enthusiasm has prompted our current test project.

Kip will organize and oversee all aspects of development and construction, while Reed will provide all the electronic needs such as sound systems, entry systems, and lighting. A video tape of the project model will be shown at the "Full Speed Ahead" Franchise Convention in October.

Upcoming Trade Shows... Act Now!!!

The two largest domestic trade shows are upcoming on the exact same dates — November 18th through November 20th. They are the Amusement and Music Operators of America (AMOA) and the International Association of Amusement Parks and Attractions (IAAPA) held in Chicago and Kansas City, Missouri respectively.

The AMOA show highlights the

latest development in video games, arcade games and jukeboxes. It will be held at the Hyatt Regency Hotel on 151 East Wacker Drive, Chicago, Illinois.

The IAAPA exhibits outdoor amusement equipment, special attractions (such as ball crawls, bounce floors, etc.), souvenir novelty merchandise and animation. Pizza Time Theatre's Games Division will

be showing their Chuck E. Cheese Rolls at this show. It will be held at Bartle Hall, 301 W. 13th Street, Kansas City, Missouri.

As both of these shows are extremely popular, we urge you to choose the show you feel you would benefit most from and make your room reservations immediately. Pizza Time Theatre will have a suite at each show so that we can meet and evaluate the products.



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Sonya Carter Bob Talbott
Diane Lockhart Inda Trinwith
Cathy Root
Photography ... Lee Patti

Fix It Faster

This column is for all the technicians and operators who have pulled a seemingly bad i.c. only to find there was nothing wrong with it in the first place. If you frequently have this experience, you are not alone. Fortunately, we work in an innovative industry which supplies us with extremely helpful tools such as the logic comparator.

The logic comparator compares the output of a known, good i.c. to a possible bad i.c. This is all accomplished while the power on the board is still up, which makes things much easier.

The known, good i.c. of the same type to be tested is inserted into a socket provided on the comparator and a test clip is attached to the questionable chip on the board. The operator then positions switches on the comparator to a predetermined setting. (Popular i.c. settings are usually provided by the manufacturer of the comparator.) The circuitry in the comparator then piggy-backs the input information from the two i.c.'s and compares the output. With the same input information, the outputs should be identical. If not, one or more LED's will light on the comparator indicating a mis-match.

Occasionally an output line will appear bad because of a shortened

input line pulling it down further along in the system. If this occurs, simply cut and lift the pin of the i.c. under test. If it still miscompares, it is definitely bad.

The logic comparator will accurately test devices such as Transistor to Transistor Logic and Diode to Transistor Logic multiplexers, shift registers, flip-flops, adders, decoders, latches and counters, as well as the more simple i.c.'s which include AND, NAND, OR, and NOR gates, inverters and buffers. However, this device is not reliable in testing tristate devices or open collector devices as they may share common bus lines on their outputs. This shared activity would be read as a miscompare.

The benefits of a comparator over an oscilloscope are that it is smaller, faster to use, and does not require as much experience to interpret as does the same complex digital activity read through a scope.

Those of you who have gone through the trouble and expense of replacing chips you thought were bad but really weren't, will appreciate the comparator's verification of good i.c.'s.

Although 100% efficiency is impossible, the comparator has proven to be a fast and effective tool in trouble shooting digital systems.

Dear Gabby Games

Dear Gabby,

Why should we put arcade games in our gamerooms when videos earn so much more?

A Franchisee

Dear Franchisee,

There are several reasons for providing the mix we have standardized—

- 1) We are a family restaurant and entertainment center with a market targeted to young children, their parents, and relatives, young and old. We like to provide enough diversity in the gameroom to have something for everyone's interests and skill levels. Leaning solely towards video games limits choices and broad-based player appeal.
- 2) Video equipment is often unpredictable and very volatile. A high volume current video game may have, in fact, a relatively short life. Continually updating the gameroom with new, hot games and trading in or selling used games needs to be an ongoing priority.
- 3) Although the highest earning top five video games usually rival the earnings of arcade pieces, arcade games have a long, dependable earning history. They don't peak and drop, but earn about the same amount over the period of years that they are in good operational condition.
- 4) Arcade games usually elicit physical participation that is different in nature from the kind elicited by video play and, thereby, provide a more active recreation for family members to share.



Dear Gabby,

What are the accepted percentage breakdowns of gameroom equipment?

A Franchisee

Dear Franchisee,

Gameroom equipment is broken into three basic categories:

Videos —which should comprise 60% of the total game-room mix. Videos are all upright games which have TV monitors.

Arcades —should comprise 25% of the mix. Arcade pieces are all games which are not children's rides (or games) and would include sit-down cabinet style video games such as Turbo and Monaco GP. Upright videos are never classified in this category, however.

Children's—should comprise 15% of the mix. This category consists of all rides and specifically customized games for children (such as Circus-time).

Video cocktail tables are not included in the percentages, but are purchased according to space availability and individual store design.

New Trade Magazines

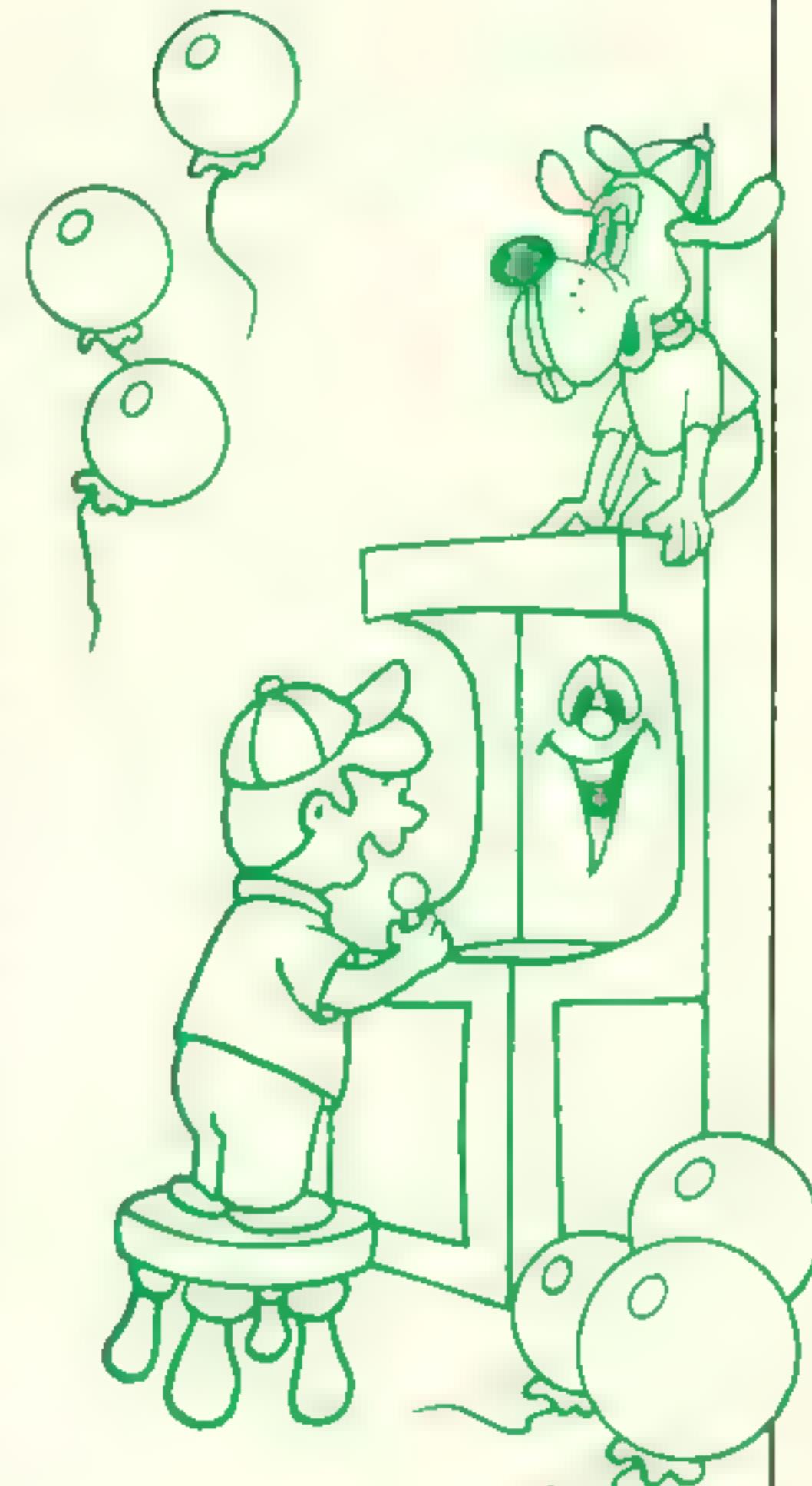
Several new game magazines depicting game play and current trends can be found on newsstands today. Please find subscription addresses below for two interesting ones which have emerged:

"Joystick"

3841 West Oakton Street
Skokie, Illinois 60076
Price: \$3.98 per issue plus \$.75 postage and handling

"Electronic Games"

Reese Publishing Company, Inc.
235 Park Avenue South
New York, New York 10003
Price: \$2.95 per issue;
subscription rate:
\$15.00 for 6 issues



Pizza Time Theatre's Top 10 Videos (as of 8/26/82)

Game	Average Earnings Per Week
1. Tron	315
2. Ms. PacMan	279
3. PacMan	268
4. Kangaroo	266
5. S.D. Turbo	265
6. Donkey Kong	250
7. Centipede	249
8. Zaxxon	225
9. Frogger	231
10. Dig Dug	210

Game Tips

The following information is helpful in solving problems encountered in the games listed below:

Donkey Kong:

Are you having static problems with your Donkey Kong? Some types of common problems that can occur are the screen flipping up-sidedown, garbage on the screen, or both simultaneously.

To correct this problem, ground each coin acceptor (using one of the mounting bolts) to the ground wire already on the coin door. Also, a capacitor must be added to the C.P.U. Board. If you have a TKG2 and a TKG3 type logic board, the location for the capacitor would be between pin 15 and 8, but the location is IC.5H. The specification for this cap is .1uF with a voltage rating above 5 volts. The purpose of this capacitor is to reduce noise introduced on the reset line by static discharge.

As usual, this modification is not 100% reliable 100% of the time. It will accomplish desired results, though, in most cases. If you find

that you cannot control the problem using this method, the manufacturer can provide alternative suggestions. To obtain more information on this matter, call 1-800-426-4612 or write to Nintendo of America, Inc., 18340 South Center Pkwy., Seattle, WA 98188.

Rowe Bill Changers:

The symptom some operators are experiencing with these machines is that they will not accept bills. The problem is usually located in the bill/coin return button assembly.

The button activates a microswitch. If the microswitch bends, it may cause an intermittent switch closure. If the switch is activated, the bill transport will run in reverse. After a short time the motor will overheat and shut itself off through the use of a thermocouple. When the motor cools, it will run properly again. This problem could be very frustrating and can be solved by either changing the microswitch or bending the arm on the microswitch, whichever lends itself to your situation.

Game Quips

Greater Southern Distributing Company of 2164 Marietta Boulevard N.W. Atlanta, Georgia has copies available of *Facts About Video Games and Game Centers*. This brief, but important pamphlet produced by the AMOA, AVMDA, and ADMA will assist you in providing members of your community with a better understanding of the coin-operated amusement industry.

From ATARI:

Technical Tips

Wells-Gardner

Color X-Y Display

Symptom: After replacing a shorted transistor in the plus 28 volt power supply (Q100 or Q102), the 5 amp fuse blows again.

Cause: You probably have shorted diodes ZD100 and D104. After replacing a defective component, it is always good practice to check all components in the power supply prior to power up.

The same applies to the negative 28 voltage power supply components Q101, Q103, ZD101 and D105.

Symptom: Glitches or spikes on video display objects.

Cause: Defective components C901 and C902 capacitors located on the circuit board in the high voltage cage. Recommended replacement is a 100 μ F, 50V electrolytic capacitor.

Games Update

Some New Games to be Watching for are:



Jungle King - Taito

He looks like Tarzan, but he's the Jungle King, swinging from vine to vine avoiding monkeys, fighting the alligators, and jumping over falling rocks. He must save the beautiful girl. Rumor has it this is going to be a high earning game!

Gravitar - Atari

Your mission is to travel to alien planets and destroy them. Each level is a different universe with different planets. Gravity pulls you to the surface of the planet. Your controls maneuver ships to rotate right and left, thrust and fire for shots.

Donkey Kong Jr. - Nintendo

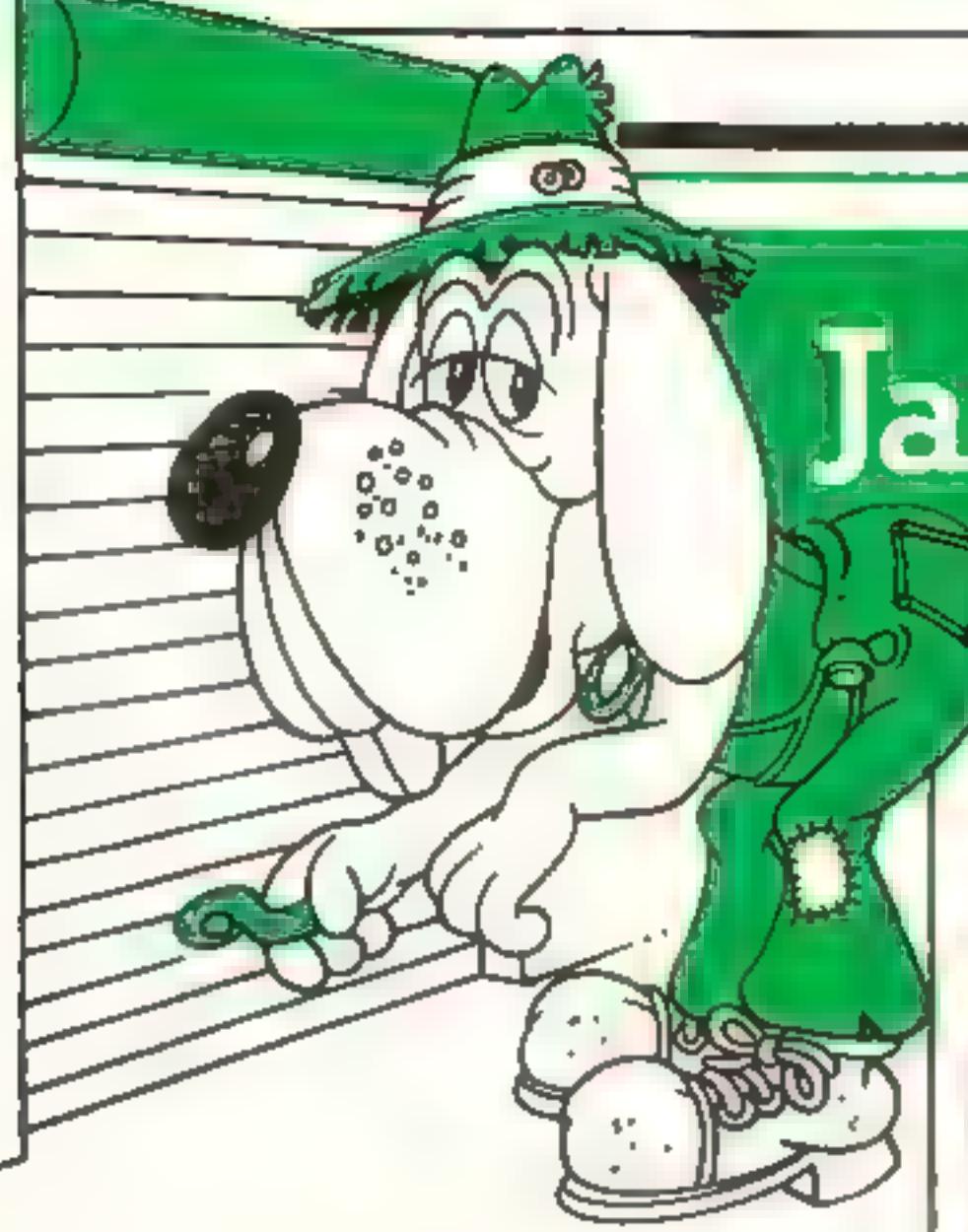
If you're a Donkey Kong fan, you'll love Donkey Kong Jr. Junior must get Mario's key to free Papa. This game is testing to be our top game thus far.

Solar Fox - Midway

The object is to clear the screen of fuzor targets as fast as possible, while avoiding the enemy thrusters that move along the playfield's borders. Time and speed are your weapons.

Fast Freddy - Atari

This game simulates the thrills and skills of actual hang gliding using an 8-way joystick to move Freddy. Good timing and strategy are necessary to successfully negotiate invisible air currents, wind direction, and up and down drafts.



Jasper's General Store

Appeal to Emotions

One of the keys to making more money in the amusement field is merchandising. And appealing to the consumer's emotional side helps the effort, according to an article by Steven B. Cox and Dr. Richard Maddock in the August 21, 1982 issue of "Amusement Business."

One good way of appealing to the consumer's emotions is to personalize the experience for him.

Enable him to bring something of his experience home with him and you enable him to preserve the positive, happy visit. Being reminded of it by a customized souvenir may just prompt the next visit. Like a photograph, merchandise can capture the memory of a fun time at any family amusement center.

"People love to shop," say Cox and Maddock. A gift shop which

carries select, customized, quality merchandise tied to the theme of the business, lends itself to the kind of buying which is motivated by emotion and impulse.

"Moving to gift shop merchandising in the amusement field is one of the keys to profitable survival in the '80s," add Cox and Maddock.

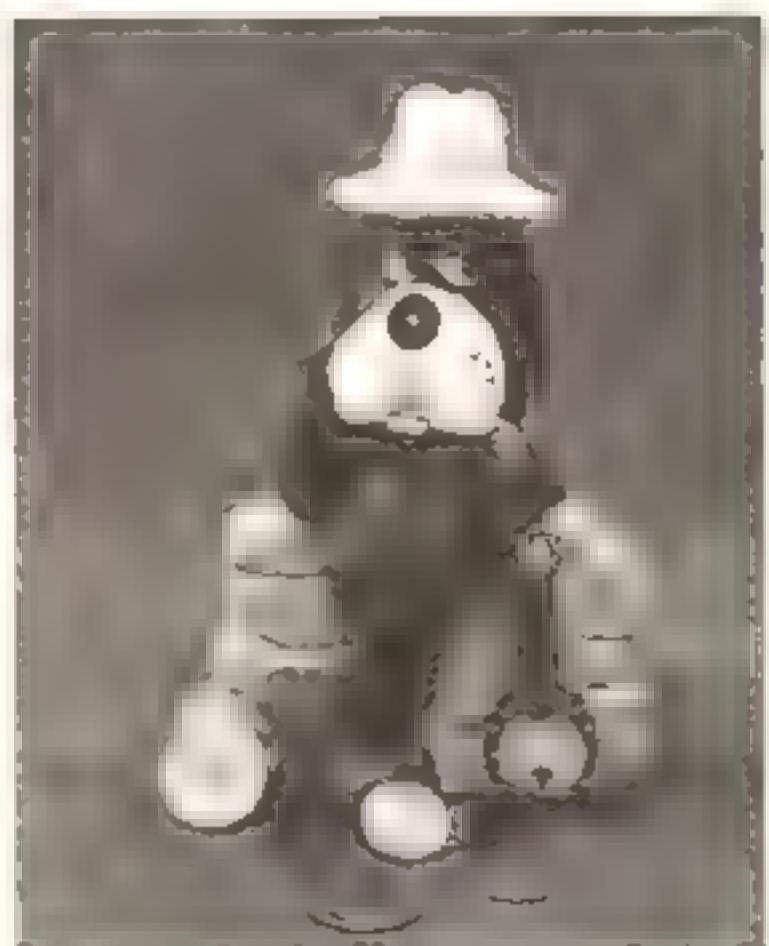
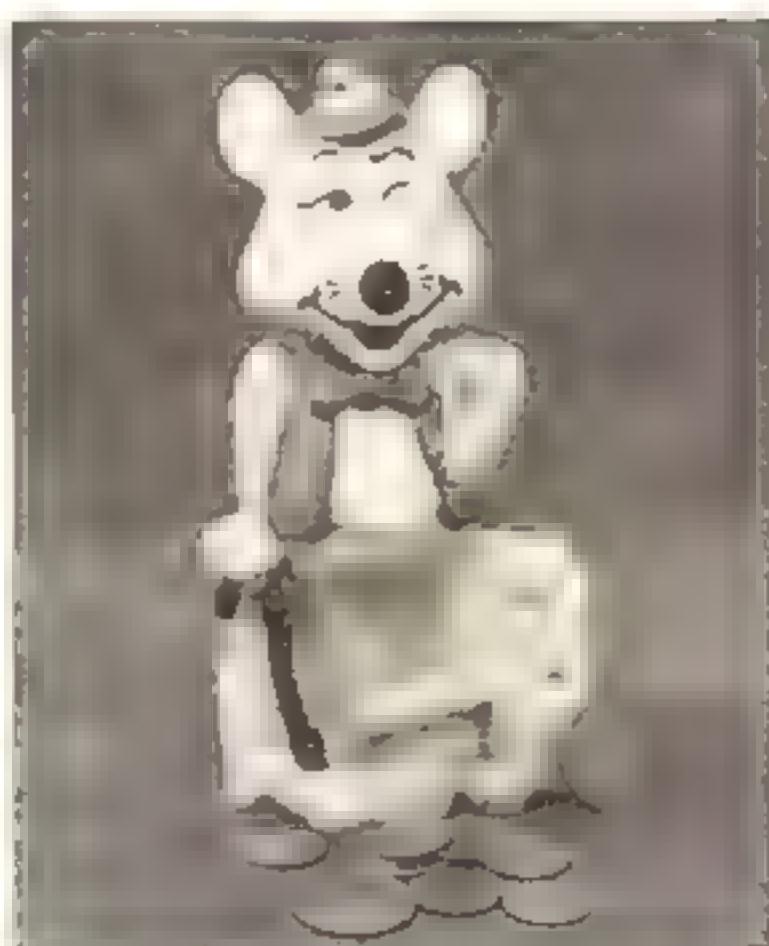
New Items

Save your money in the new Chuck E. Cheese and Jasper T. Jowls banks. These plastic replicas of our two Pizza Time heroes retail for \$2.00.

Part No. 940-3061 CEC Bank

Part No. 940-3060 JTJ Bank

Chuck E. Cheese's answer to the rubic cube is a colorful challenge for children of all ages. The cube which features several Pizza Time Theatre characters retails for \$1.75. Part No. 940-3080



Questions on the Video Game Controversy

As the controversy over the influence of video games on youngsters has grown, more and more psychologists and educators have become involved in studies and evaluations. Some interesting results were printed in the September 15 issue of "Playmeter" magazine. The article, entitled "PR Problems/PR Solutions — what to Say When . . ." encompasses a series of questions and answers relating to negative reactions toward video games. Excerpts from the article have been reprinted which could be helpful in your own response to these issues.

Question: Do children learn anything from playing the games?

The fact that the games are turning children on to computers has been noted by Midway Manufacturing Co., which has received numerous letters from youths who say they want to go into computer design or engineering as a result of their curiosity about the games.

Smithsonian Magazine writer Paul Trachtman, who interviewed Atari programmers for an extensive article on video games (September 1982), reported:

Everyone here seems to feel that computers are going to play a much friendlier role in our lives than most people ever expected. "People aren't going to be able to be scared of computers very much longer," one young games programmer assures me.

And psychologist Dan Anderson noticed at the University of Massachusetts at Amherst, "kids are expressing an openness to learning about computers. They're taking up the university's com-

puter time by writing their own games. A lot of people are attributing this to the popularity of video games."

All of this attention on video games is not being lost on education. A math professor at Swarthmore College has adapted Atari home computers to teach high school and college students trigonometry.

And in his dissertation for Stanford University's department of psychology, Thomas W. Malone studied computer games to see how the fun aspects of the games could be used in designing educational computer programs. As reported in the December 1981 issue of *Byte Magazine*, Malone found three elements of the games that can be used to make education more fun: they are challenging; they present a fantasy situation; and they stimulate and satisfy curiosity. Adapting the games for educational purposes, he feels, "can help in creating instructional computer programs that fascinate as well as educate their users."

Question: Is it possible, then, that fear of computers, or any new technology, may be behind some parents' objections to the games?

Parents' concerns do have a historical basis, a fear of the unknown that surfaces every time a new medium is introduced into society. The concerns they're voicing about computer games are similar to complaints about television that surfaced when consumers started buying them in quantity.

Because of this fear, psychologist Dan Anderson of the University of Massachusetts feels parents fail to see the rapidly evolving

potential of the games: how they will come to be played more at home, how the content will change to provide more challenging games that may be played for hours, and how children can be introduced to computers through games.

Victor Walling, a business consultant at SRI International, a research firm in Menlo Park, Calif., compared kids conquering computers through the games to their parents learning to drive cars. "Kids learn that you can walk up to a computer and make it respond, unlike the previous generation," he said (*Smithsonian*, September 1981).

In a cover story on computers (Nov. 16, 1981), *Newsweek* reporter William Marbach wrote: "It is fascinating to watch how children and adults learn to cope with computers. Almost intuitively children seem to understand that Zen-like simplicity is the key. Few adults manage to attain the same state of grace."

Isaac Asimov, scientist and writer, explained this attraction: "Kids like the computer because it plays back. You can play with it, but it is completely under your control; it's a pal, a friend, but it doesn't get mad; it doesn't say 'I won't play'; and it doesn't break the rules. What kid wouldn't want this?" (*Smithsonian*, September 1981.)

Dr. Lisa Raub, who just completed a dissertation on computer anxiety at the University of Pennsylvania, is even more adamant about the benefits of the games. "There is no question that video games reduce [computer] anxiety and increase technological acceptance," she said (*The Philadelphia Inquirer*, January 24, 1982).

THE GAMES EXAMINER

(Cheese E. Street Feature)

Date of Origin: 1982

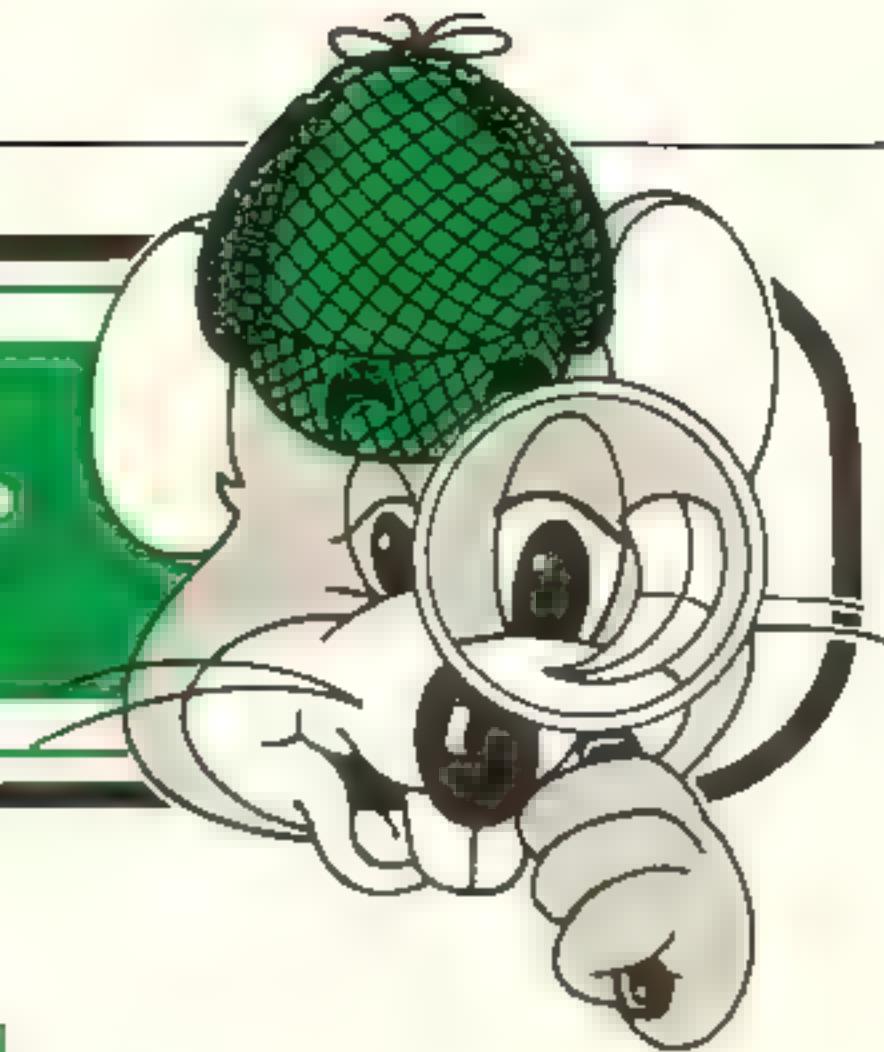
Archived: 7-29-12

Submission by Kathy H.

Version 2.0 (Complete Issue)

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The Games Examiner



Sente Technologies and its First Game are Introduced



The new "Rollerbowl" target bowling game that is the first effort of Sente Technologies (Pizza Time Theatre's games manufacturing division) was a huge success at last November's International Association of Amusement Parks and Attractions (IAAPA) show in Kansas City. Sente Technologies chose this largest of amusement park and attraction shows to introduce itself to the industry and was rewarded with much praise by potential customers for Rollerbowl. Sente will next demonstrate Rollerbowl at the Amusement Operators Expo show in Chicago this March.

This newly-formed division of Pizza Time Theatre, Inc. will be producing Rollerbowl as well as

other games in the future. You might be familiar with Rollerbowl, since it was called "Chuck E. Cheese Roll" in the days when it was available only to corporate-owned Pizza Time Theatres. The company-created game was first distributed to this limited market beginning last April, but will now go into greater production to accommodate orders from franchise stores and other game operators.

Rollerbowl has intricate engineering. It offers many exciting options such as ticket dispensers, sound effects, a flashing beacon and custom plexiglass and paint. The number of balls and winning scores can be adjusted for each game. Rollerbowl is easily serv-

iced from the front of the unit.

Pizza Time Theatre, the largest user of target bowling games, will continue to offer Rollerbowl to its company and franchised stores under the name "Chuck E. Cheese Roll." There are currently 240 of these games in operation. It is hoped that Pizza Time Theatre will be both the largest user and the largest producer of this type of game!

Sente Technologies was formed last November and occupies a 70,000-square-foot production facility in Hollister, California. Directing the division is Pete Mirrione. To answer questions about prices and orders, call (408) 637 BOWL.

Interchangeable Cassette System "Recycles" Games



Data East's interchangeable cassette system can help operators overcome the problem of game saturation. This system reprograms printed circuit boards into new games. The company's 55 design engineers plan to produce two new games each month for evaluation and testing.

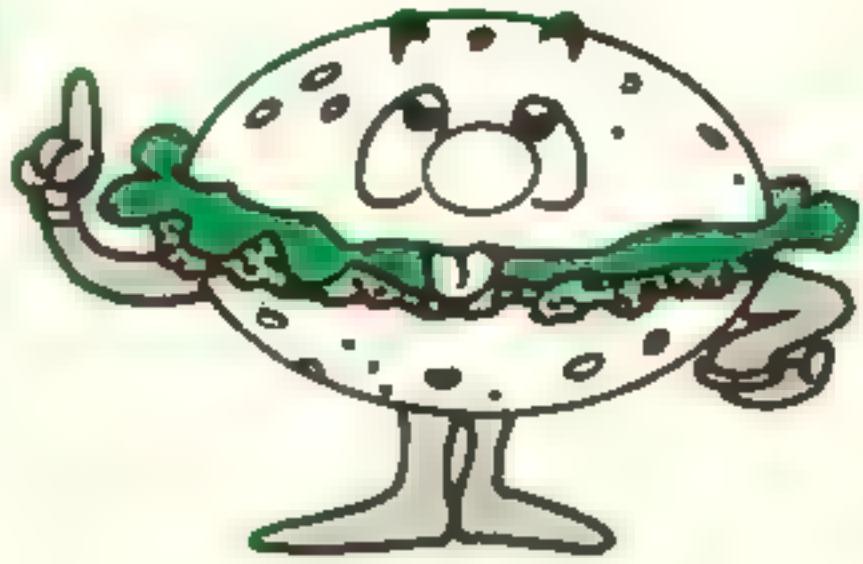
"Burger Time" is the first major interchangeable hit by Data East. It features Peter Pepper as the chef who runs up and down ladders and across ingredients to stack up hamburgers. His antagonists are Mr. Hot Dog, Mr. Pickle



and Mr. Egg. To temporarily put them out of commission, Peter sprinkles them with his limited supply of hot pepper.

Intensive pre-testing in the Japanese market revealed that the game's popularity was beyond Data East's production capacity. Thus a licensing agreement was arranged with Bally/Midway to simultaneously co-produce the game. Bally's version will not feature the interchangeable cassette

Data East has also reserved the



right to further license Burger Time to Mattel for the home market. The game attracts all ages and players. It is different from the shoot-'em-ups and the maze-type of games but still offers both visual appeal and great fun.

Originally a software company, Data East first entered the video game market with popular Astro-fighter. It was produced in a cocktail table model, with the upright version licensed to Sega. Data East is the two and a half year old subsidiary of seven-year-old Data East Japan.

Keeping you informed of new developments in the ever-changing games industry is important for your business. It was for this reason that the Games Examiner was created.

Address information you have to share or questions you would like answered to Inda Trinwith, director of games administration, 1213 Innsbruck Drive, Sunnyvale, CA 94086, (408) 744-7300.

The Games Examiner

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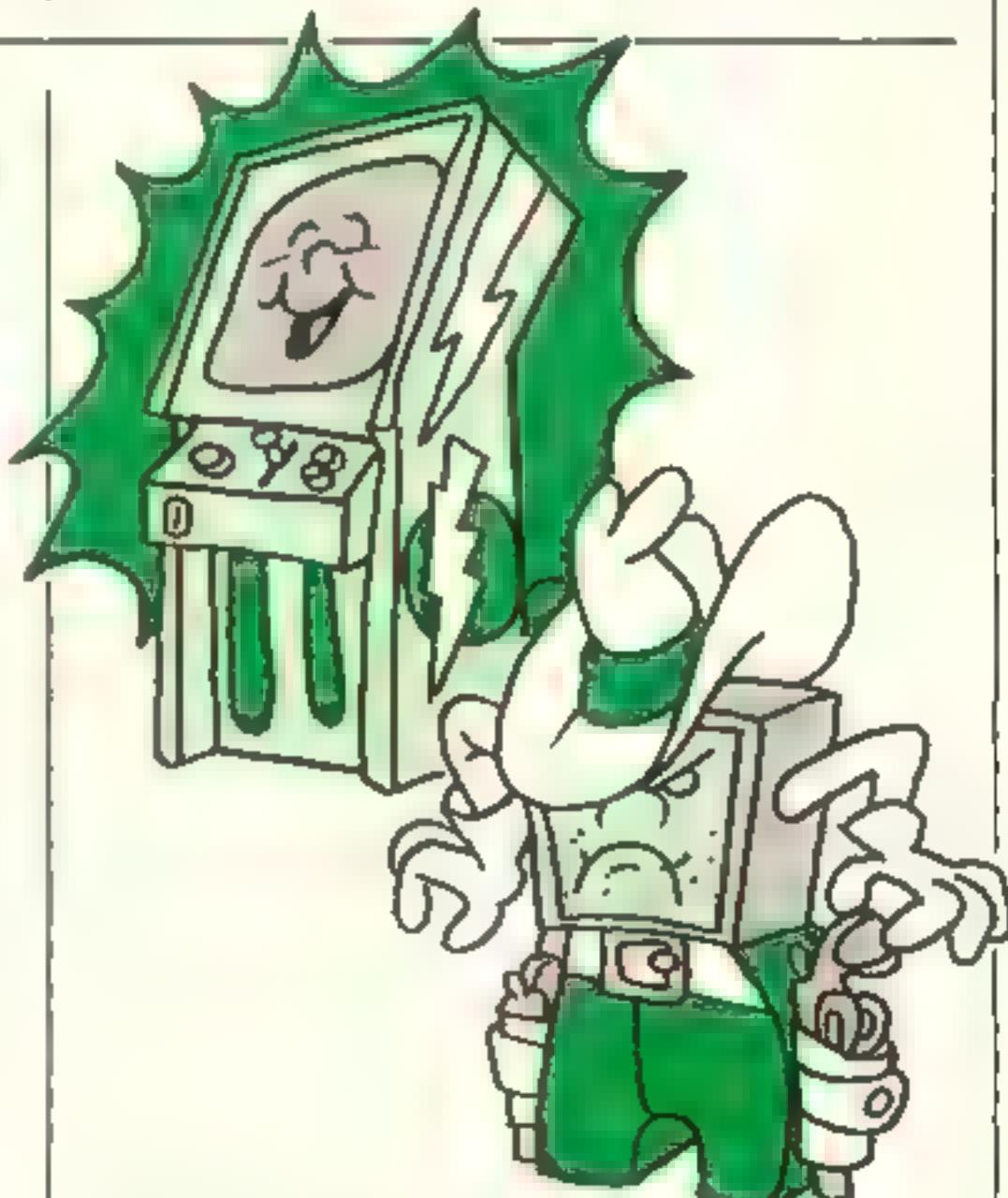
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Photography ... Lee Patti

Chicago Show Biggest Ever

The recent Amusement and Music Operators Association (AMOA) show at Chicago's Hyatt Regency Hotel was the largest ever held. There were 1,235 booths representing 143 companies. The spectator turnout set new records. Exhibitions included video and arcade games, kiddie rides, coin counting equipment and jukeboxes.



The suite hosted by Pizza Time Theatre gave corporate and franchise attendees the opportunity to meet one another, analyze the exhibition and discuss future industry trends. To those of us at the show, it appeared that the most promising new video games were:



- Q* Bert by Gottlieb
- Pole Position by Ataris
- Super Pac Man by Midway
- Popeye by Nintendo
- Millipede by Atari
- Super Zaxxon by Sega
- Front Line by Taito
- Time Pilot by Centuri
- Buck Rogers by Sega
- Burger Time by Data East and Midway

Dear Gabby Games

Dear Gabby,

How can we prevent the recurring problem of game theft?

Jim Carey
Area Gameroom Coordinator
PTT—Southern California

Dear Jim,

A. Gameroom security is indeed becoming a greater concern for gameroom operators...

Scenario: A truck driver arrives during the lunch hour rush. He says he is from a game company (fictitious) and asks to see the manager. The manager is busy supervising kitchen operations and asks the technician to take care of the matter. The driver shows a piece of paper which looks like a pick-up order with a couple of scribbled signatures on it. Being a reliable and helpful tech, he helps load the wanted game on the truck. The driver thanks him and takes off.

This is a typical game theft

that happens every day. Games are disappearing by the hundreds from arcades as well as route locations. The thieves take advantage of the busiest time of day to make their move. This type of crime is happening at an increasingly alarming rate all over the country, and if preventative action isn't taken, we too could fall victim to this type of theft. Therefore, take action immediately to safeguard your operation. Here are a few ways that could help.

a. *Know your inventory:*

Make sure you have an inventory list with manufacturer's serial numbers recorded.

b. *Be sure that employees are familiar with pick-up and delivery procedures and documentation.*

c. *Identify anyone requesting a game pick-up. Ask for identification such as a driver's license, business card or a work badge.*

d. *Awareness:*

Inform employees of the possibility of this happening to "keep an eye out."

e. *Questions:*

If there are any doubts about a game, call someone you know who can verify a pick-up.

AOE Upcoming Trade Show



The Fourth Annual Amusement Operators Expo (AOE) on March 25-27 is the next major games trade show. It will take place at the O'Hare Expo Center in Chicago and is sponsored by "Playmeter" magazine

This expo is very operator-oriented and offers many informative seminars by experienced industry people. Sente Technologies, Pizza Time Theatre's games manufacturing arm, will be exhibiting Rollerbowls. We look forward to meeting many of our franchisees at the Pizza Time Theatre suite at the Hyatt O'Hare

A Note to Franchise Technicians

From Fred McCord, Director of Technical Operations

ABSTRUSE: adj. difficult to understand

Are you finding any part of your job abstruse? Do you have any problem understanding

- Games?
- Cyberamics?
- Troubleshooting?
- New systems?
- Test equipment?
- Or anything?

Let me know! I'll be holding two information-filled days of discussions on March 23-24 at the

O'Hare Hilton in Chicago just prior to the Amusement Operators Expo (AOE).

● Bob Salmons of Atari
● Bob Norton of Midway will participate in these sessions. They will be providing insights into their systems and answering your questions.

Since these two days are designed for YOU, I'd like your feedback. Will you attend? What subjects are you most interested in? Do you have a hotel prefer-

ence? Please fill out the enclosed postpaid card and return it as soon as possible.

Remember Murphy's Law #409: "Inside every large problem is a small problem struggling to get out!" (STAR TECH Journal, November, 1982)

These sessions will hopefully make your problems tiny ones. I look forward to seeing you there

- Fred McCord

Super Pac-Man (Bally/Midway)

Rather than the usual white dots, Super Pac-Man mazes are made of fruits and goodies and contain four energy dots. This gives Pac-Man power to chomp both pursuing monsters and two super dots. When Pac-Man eats a "super" dot, he becomes "Super Pac-Man" and 10 times his normal size.

Burger Time (Data East and Midway)

Players attempt to build a hamburger by manipulating Peter Pepper, the jogging chef, over the ingredients and stacking them on the plates below. It will leave players hungry for more. The game is manufactured by Data East in the Deco Cassette system and by Midway in a conventional system.

Eliminating False Error Statements on Tron

Midway's new MCR 11 system (as used on Tron and other new games) can indicate a false error statement if the dip switches on the sound board are left in the wrong position. When the game is powered up, the error message comes up (sound board interface error). It flashes on the screen. The game also has no sound. If this has happened to you, check switch bank #3 at location D14 on the sound I/O board. Switches 1, 2, 3 & 4 should be in the "off" position for normal play. In most cases, this will clear the error statement. If not, check another possible trouble area: the Z80 CPU on the sound I/O board.

Tron Control Handle Troubles

The control handle on Midway's Tron has a tendency to crack near the screw hole. Early inspection will help eliminate down time caused by a broken handle.

Games Update

Pengo (Sega)

This maze variation game features a little red penguin from the South Pole. The object is to maneuver Pengo around and through a series of ice blocks. He must eliminate his pursuers—the Snow Bees—by pushing the ice blocks against them. Chilly fun!

Q*Bert (Gottlieb)

The little character of Q*Bert starts his journey on top of a 3D pyramid of vividly colored blocks. He must hop from cube to cube, changing the color as he goes. His task is complicated by several sinister characters. Gottlieb rightly says, "Q*Bert Collects Quarters!"

Pole Position (Atari)

This high performance race offers all the open-wheel competition thrills of Grand Prix. Awesome speed and spectacular excitement. Pole Position is manufactured in both the upright and cockpit styles.

Popeye (Nintendo)

The popular cartoon characters are brought back. Popeye tries to capture the hearts Olive Oyl hurls to the wind while Brutus rivals him. But Popeye can knock him out by eating a can of spinach.

Buck Rogers (Sega)

Buck pilots a remote controlled space ship around the Planet of Zoom. Using a two-level speed control and a responsive pilot's control stick, the plucky hero races his ship into and out of heavily armed channels.

Game Tips

Partial Image Loss on Tempest

Are some of the rims of the tube rails missing on Tempest's playfields? Such as the first circular playfield missing its top rim? A self-test will show an E in the middle of the screen. This indicates that the EROM at location C-3 on the auxiliary PCB is defective. Replacing the EROM does not correct the problem.

The solution to the problem lies outside the auxiliary PCB. There are two probable causes: the interboard connector to J-19 on the main PCB has shorted or has open wires; or the transceiver IC H-2 (74LS245 or AM8304B) on the main board has failed.

Unwanted Hum-bars on Ms. Pac-Man

If your Ms. Pac-Man has developed hum-bars in the monitor, first check for a bad monitor. If the monitor is good, check the fuse block. The game will still function

with one of the fuses blown. This is because the game uses a center-tapped transformer with fused 7-Vac and 15-Vac outputs. It is rectified and filtered for the +5VDC and +12VDC regulator inputs. If half the wave is missing, the filter cap may not charge to a high enough DC voltage, causing the +5VDC regulator to "drop out" and result in hum-bars on the video display.

Centipede Picture Reversal

If the picture on the monitor of an upright Centipede game flips back and forth, check pins Z and 15 on the large 44 pin connector. Make sure these two pins are connected.

A Silent Dig Dug

If Atari's Dig Dug loses its sound, change cap C-11 on new PCBs (AO38575) or cap C-13 on old-style PCB (AO38156). This is not the only cause of loss of sound but this type of cap does have a higher failure rate than might be expected.

Game Operations Director Ken Wagener to Boost Gameroom Performance



Ken Wagener's recent promotion to the newly-created position of director of game operations should strengthen the performance of the gamerooms. Ken's department is conducting an initial test among the eight company-owned stores in the South Bay Area in California. If successful, this new operational approach will be used in other corporate locations.

Ken will appoint a gameroom manager for each store who has technical abilities. This person will not only be responsible for the hiring and training of gameroom and general store personnel but will set up and perform the necessary preventive maintenance on the games and Cyberamics systems. Technicians will cover one

or two stores and report to an area manager, who, in turn, has responsibility for the technical and operational side of the gameroom. Ken believes this new organizational structure will result in improvements in the gameroom, with more operational games and better maintenance.

Ken is also working on a new gameroom manual and the development of training materials. He joined Pizza Time Theatre two and a half years ago in the Training Department and has since helped open new stores and inspected existing ones all over the country for the Franchise Department. Ken was formerly involved with marketing and game operations for Marriott's Great America theme park in Santa Clara, California.

Fred McCord Appointed Director of Technical Operations



The company's new director of technical operations is Fred McCord, whose experience and knowledge of the industry will help Pizza Time Theatre's technical maintenance keep pace with its phenomenal growth. Fred has spent the last eight years running the field service department at Atari, Inc. He is probably best known in the industry for his role in starting the Atari Service Schools and developing the firm's technical training programs.

His new position here will involve implementing similar programs and support services. "I want to make sure Pizza Time Theatre has a network of the right

people with the right combination of technical and management expertise to keep the maintenance standards high at every location," Fred explained. He feels that with good management and technical training programs, the organization will continue its strong advantage in the business and show significant results in the marketplace.

Fred will oversee the technical support for games as well as for the other special products developed by Pizza Time Theatre. His goal "is to demand higher and higher quality standards as one way of continuing our leadership in the industry."

Jasper's General Store



New Beer Stein with Chuck E. Cheese

Chuck E. and his pals Jasper T. Jowls and Pasqually go German as pictured on this hand-painted beer stein. Order yours soon. Part #940-5007. Cost: \$2.33 each.



The Chuck E. Pencil

This orange and red Chuck E. Pencil puts a whole new outlook on writing. It has a large eraser and colorful tassel. Part #240 4018-01. Cost: 23¢ each.



.... And Something to Hold it

The perfect place to put the Chuck E. Pencil is the Chuck E. Cheese Pencil Case. It will also nicely hold pens, rulers and other school supplies. It comes in assorted colors. Part #940-3077-01. Cost: 72¢ each.



Attractive Lucite Paperweight

For those important people you want to impress, Pizza Time Theatre introduces the executive paperweight, made of lucite and pewter featuring Chuck E. Cheese. This practical and attractive gift costs \$5.40 each. Part #940-4017-01.



"Smile, America" T-Shirt

This popular t-shirt says "Smile America, Say Chuck E. Cheese" and was introduced at the 1982 Hawaii convention. It is now available in all sizes. Cost: \$2.10 each.



Future Finds

This year will be a big one for Jasper's General Store. We will be introducing plush toys, irresistible candy items and other merchandise for customers of all ages.

THE GAMES EXAMINER

(Sente Feature)

Date of Origin: 1982

Archived: 7-29-12

Submission by Kathy H.

Version 1.0

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B.B. Bubbles

B.B. Bubbles is a dainty addition to the Pizza Time Theatre lineup of really big stars. She will delight young and old alike with her saucy, sometimes sultry selection of songs.

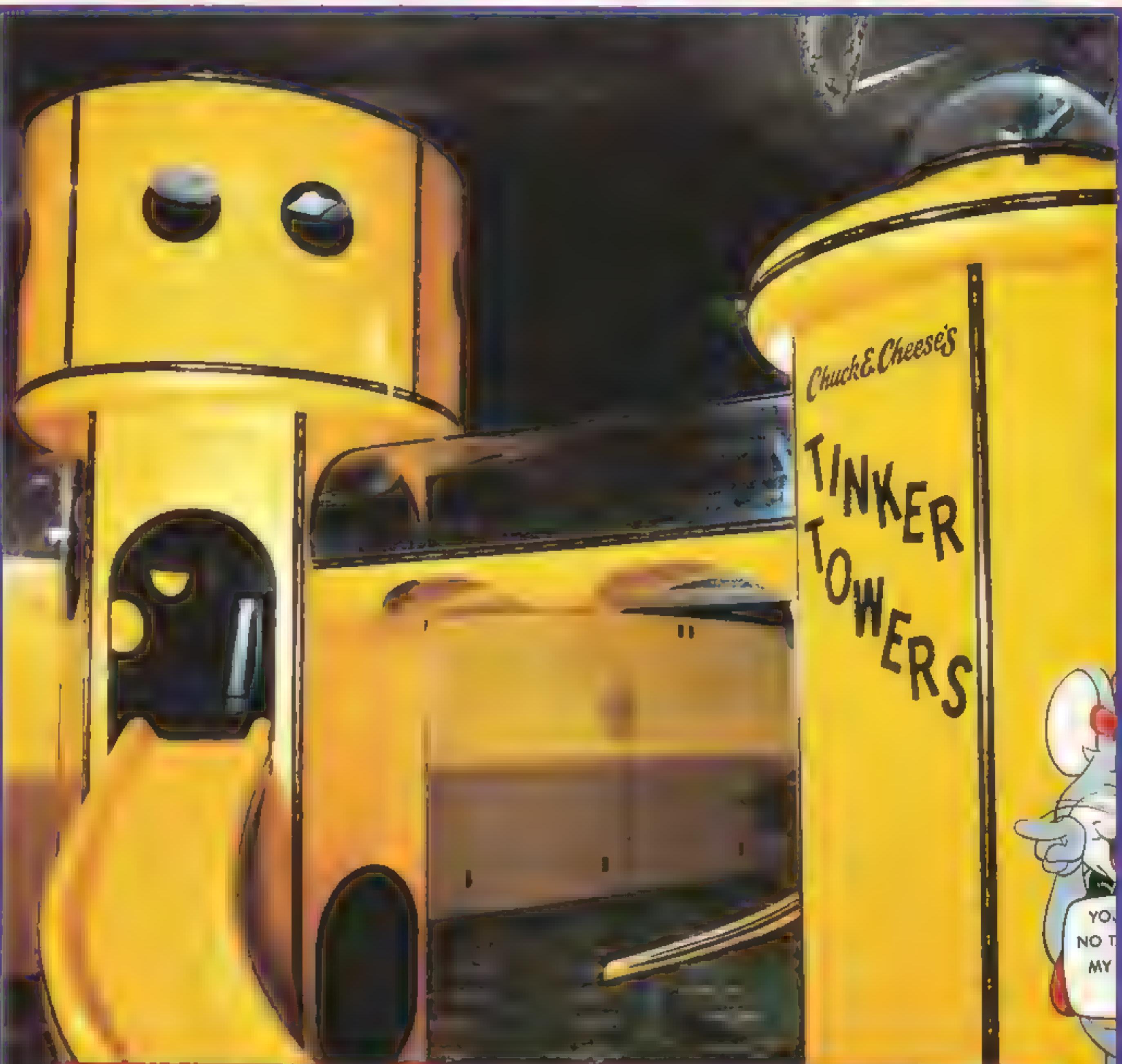
- May be a cosmetic change on a standard cabaret character
- May be purchased as a complete installation package
- Bubble machine option available



The Beach Bowzers

The Beach Bowzers bring some of America's best-loved popular music to Pizza Time Theatres . . . happy songs about surf, sun, and fun. The whole family can enjoy an endless summer of song . . . with The Beach Bowzers.

- May be a cosmetic change on the standard Beagles characters
- May be purchased as a complete installation package.



Chuck E. Cheese's Tinker Tower

Two striking yellow gel-kote fiberglass towers rise 12 feet and are connected by a clear plastic crawl tube. Each tower has a four foot high curved slide. Comes complete with its own sound system featuring circus music and bright, happy chaser lights for maximum visibility. Great for little kids.

- Additional towers and tubes can be added.
- Permanent, no maintenance, yellow color.
- Modular design, easy installation.
- Requires 110 volts

Chuck E. Cheese Roll

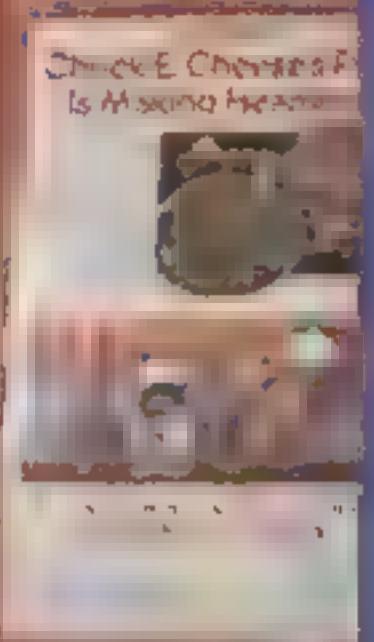


Chuck E. Cheese Roll

Bright graphics and nine colored balls make this "bowling type" game great for action fun. Get the ball in the 50 point hole and ring the bell. A digital display lets everyone know the score. High scores win Chuck E. Cheese tickets which can be redeemed for prizes.

- Sturdy design and easy maintenance access
- Easy cleaning surface.
- Large ticket storage with empty warning light
- Custom Chuck E. Cheese graphics.
- Game colors are coordinated with Pizza Time Theatre interior designs.
- Requires 110 volts.

Chuck E. Cube



Jasper's Soda Pop Stop

Jasper's Soda Pop Stop

This clever device is designed to raise soft drink sales. Encourages patrons to buy extra drinks during their meal. A 12-ounce cup travels along a conveyor belt making stops for crushed ice and any one of six different beverages. Bright, moving graphics and the unique soft drink "show" make Jasper's Soda Pop Stop a real crowd pleaser.

- Dispenses soft drinks at a rate of 3 per minute minimum.
- Allows guests to purchase additional beverages instead of returning to bar.
- Entertains guests before and after purchase
- Needs only 6' high, 6' wide, & 3' deep
- Requires two 20-amp circuits water, air, and drain



Chuck E. Cheese's Play-N-Place

Play N Place is a new concept in indoor amusement. As many as 12 different fun activities for children 2 through 8 surround an elevated observation platform for parents. All of the attractions have been designed for maximum safety. The new Play N Place will add consumer demand and customer satisfaction to your restaurant.

- Fills year-round demand for children's entertainment
- Coin operated turnstile
- Bright colorful walls and trim
- Available in three sizes 32' x 50', 40' x 60', 50' x 70'
- Requires 110 volts

© 1982 Game Time Theatre 982



Character Carousel

This simple four armed merry-go-round goes round and round at the drop of a token. Comes in two models... one extra slow with bucket swing sets for the tiny tots and a slightly faster model with bars and rings for the older kids. A loading platform makes getting on and off easy. Colorful panels show the Pizza Time Theatre characters

- Safety clutch for easy loading and unloading.
- Heavy duty motor.
- Continuous merry-go-round music.
- Needs space of only 10' high, 14' wide, & 14' deep.
- Requires 110 volts



Chuck E. Cheese's Cartoon Time Theatre

Two kids can watch at once by peeking through the special viewers. Shorter children can use pull-out step stools. Uses video disc player and thirteen inch color monitor for clear pictures and reliable performance. Video disc of cartoons lasts indefinitely. Comes with illuminated sign and bright, color graphics.

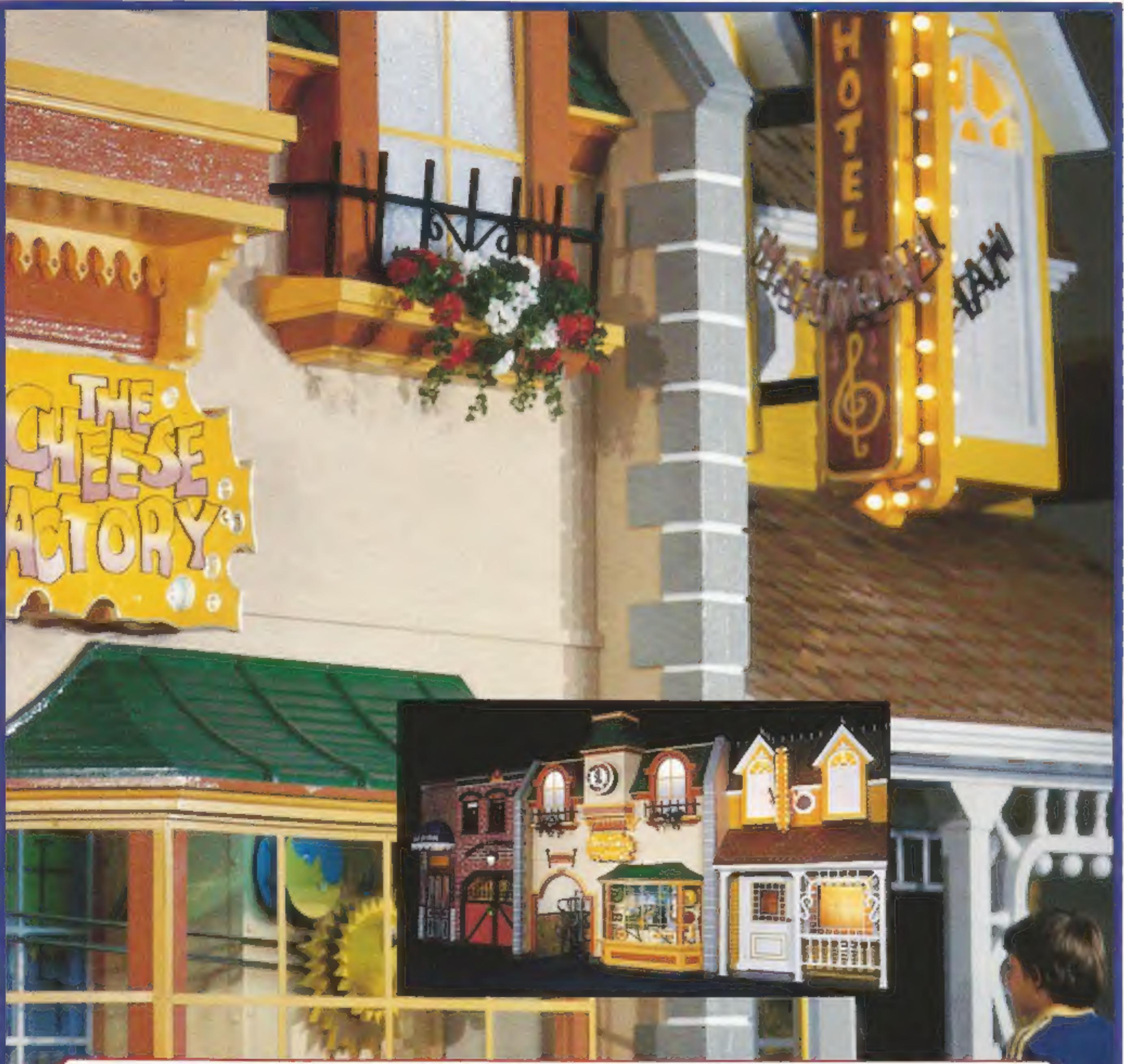
- Appeals to kids ages 2-12
- Uses new video disc technology not available on any other brand of cartoon theatre
- May be set on 25¢ or 50¢ play
- Additional cartoon video discs are available.
- Needs only 72" high, 40" wide, & 48" deep
- Requires 110 volts.



Munch, The Trash Eater

Our purple pizza eater encourages patrons to clear their own tables. Mr. Munch opens his mouth to accept food scraps and waste paper but won't allow glassware. Slots receive pizza pans, salad plates, and trays, then awards tokens. Designed for easy access and cleanup. Roll away cart holds up to 50 trays.

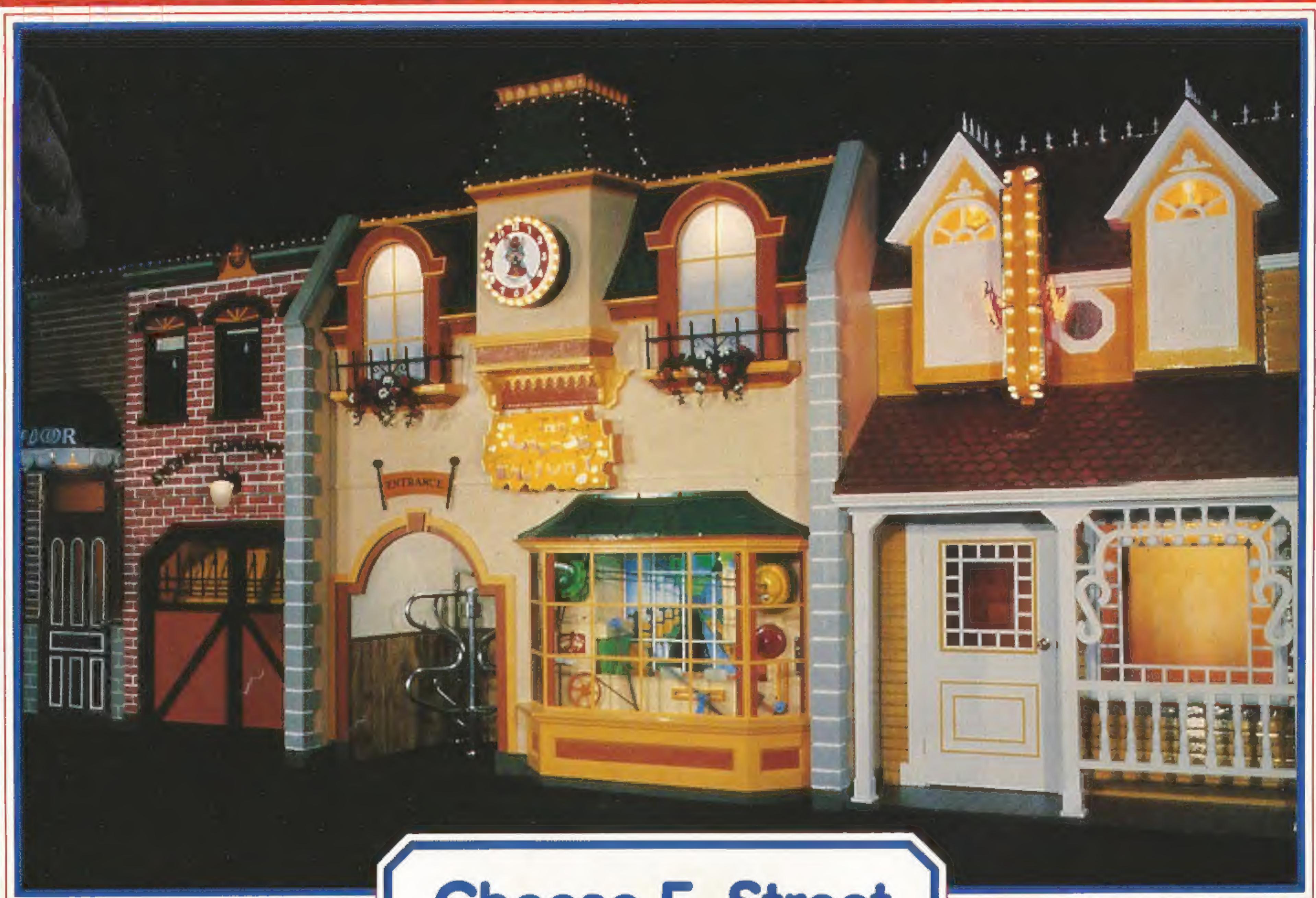
- Lowers labor requirements to bus tables.
- Optional trash compactor available
- Needs space of only 6' high, 5' wide, & 3' deep
- Requires 110 volts and a.r.



Cheese E. Street

Cheese E. Street is one of our most exciting projects ever. The colorful store front facade is visually striking. A clever animated display runs in the Cheese Factory window. Children enter through a coin operated turnstile and can play inside on spiral and tube slides, a rotating barrel of fun and three levels of climb and crawl ladders, stairs, and passages.

- No labor required for operation.
- Coin operated turnstile.
- Creates fantasy environment in restaurant.
- Pre-fab modular units for easy onsite assembly.
- Continual playing exterior music.
- Needs space of only 12' to 15' high, 32' wide, & 20' deep.
- Requires 110 volts and air.



Cheese E. Street

You're Invited
to the Premier Opening
of

Cheese E. Street

Chuck E. Cheese's
Exciting New Attraction
for Kids

Friday, April 22, 1983
1:00 PM

Chuck E. Cheese's
Pizza Time Theatre
1371 Kooser Road
San Jose, California

Lunch will be Served

PIZZA TIME THEATRE PROMOTIONAL SHEETS

Date of Origin: 1982-1983

Archived: 9-5-12

Submission by PizzaCam / Tristan R. / Kathy H.

Version 2.0 (Addition of 7 pages)

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